

Transforming Healthcare Delivery



Table of Contents



CORPORATE OVERVIEW _____ P. 01-28

- 01 Theme Introduction
- 02 Who we are
- 06 Business Drivers
- 10 Chairman's Message
- 12 MD & CEO's Message
- 14 Whole-Time Director & COO's Message
- 16 Financial Highlights
- 18 Strategy
- 22 Board of Directors
- 27 Awards and Accolades
- 28 Corporate Information



STATUTORY REPORTS _____ P. 29-122

- 29 Management Discussion and Analysis
- 37 Board's Report
- 60 Corporate Governance Report
- 81 Business Responsibility and Sustainability Report



FINANCIAL STATEMENTS _____ P. 123-293

- 123 Standalone Financial Statements
- 211 Consolidated Financial Statements



To download or to read this report
online, please log on to
www.enterohealthcare.com



Transforming Healthcare Delivery

Entero is redefining healthcare product distribution in India, positioning itself to seize abundant opportunities for growth in this extremely fragmented market. By leveraging our extensive distribution network, integrated technology platforms and strong relationships with retail pharmacies, hospitals, and healthcare product manufacturers, we ensure efficient and reliable delivery of healthcare products nationwide.

Demand for effective and reliable delivery of healthcare products is being driven by the need to increase access to healthcare products to reach a wider population, rising income levels, and the growing need for high-quality healthcare. Our technology-enabled nationwide network, and delivery infrastructure, inorganic strategy and execution to rapidly increase our geographic expansion, and an experienced and committed founding and professional management team form the bedrock of our operations. We aim to provide a one-stop procurement solution to our customers by offering them a very wide product basket, and reliable and quick delivery times. To healthcare product manufacturers, we provide a nationwide compliant distribution platform that gives them

access to a large number of pharmacies, hospitals, and clinics throughout the country. We integrate advanced distribution systems with cutting-edge technology platforms to effectively manage healthcare product distribution from manufacturers to end-consumers.

Through these efforts, we bring tremendous value to the healthcare ecosystem, drive growth, and improve the quality and accessibility of healthcare for all.



WHO WE ARE

Entero at a Glance



Entero was incorporated in January 2018 as Entero Healthcare Solutions Private Limited by our promoters Prabhat Agrawal and Prem Sethi, with the vision to create an organised, pan-India, technology-driven, and integrated healthcare products distribution platform that adds value to the entire healthcare ecosystem. We are one of the largest and fastest-growing pharmaceutical distribution platforms in the highly fragmented Indian market.

Our network encompasses 79 warehouses spread across 39 cities, delivering to 540 districts in 19 states, and serving 86,300+ retail pharmacies and 3,500+ hospitals, which makes us one of the largest nationwide healthcare product distributors in the country. We distribute 68,900+ SKUs from more than 2000 healthcare product manufacturers, which combined with robust last-mile delivery infrastructure, gives us a winning value proposition with the pharmacies, hospitals, and clinics.

Initial Public Offering (IPO)

Entero successfully completed its IPO on 13th February, 2024, and was listed on the stock exchanges on 16th February, 2024. Through the IPO, we raised ₹1,000 crores. These funds will be strategically deployed to fund working capital, pursue inorganic growth opportunities, and repay borrowings.





Fastest scale-up of operations with a track record of 34 acquisitions



Widespread pan-India presence in 39 cities and 540 districts across 19 states & Union Territories



Amongst the top three healthcare products distributors in India



Largest hospital customer network among pharmaceutical products distributors in India

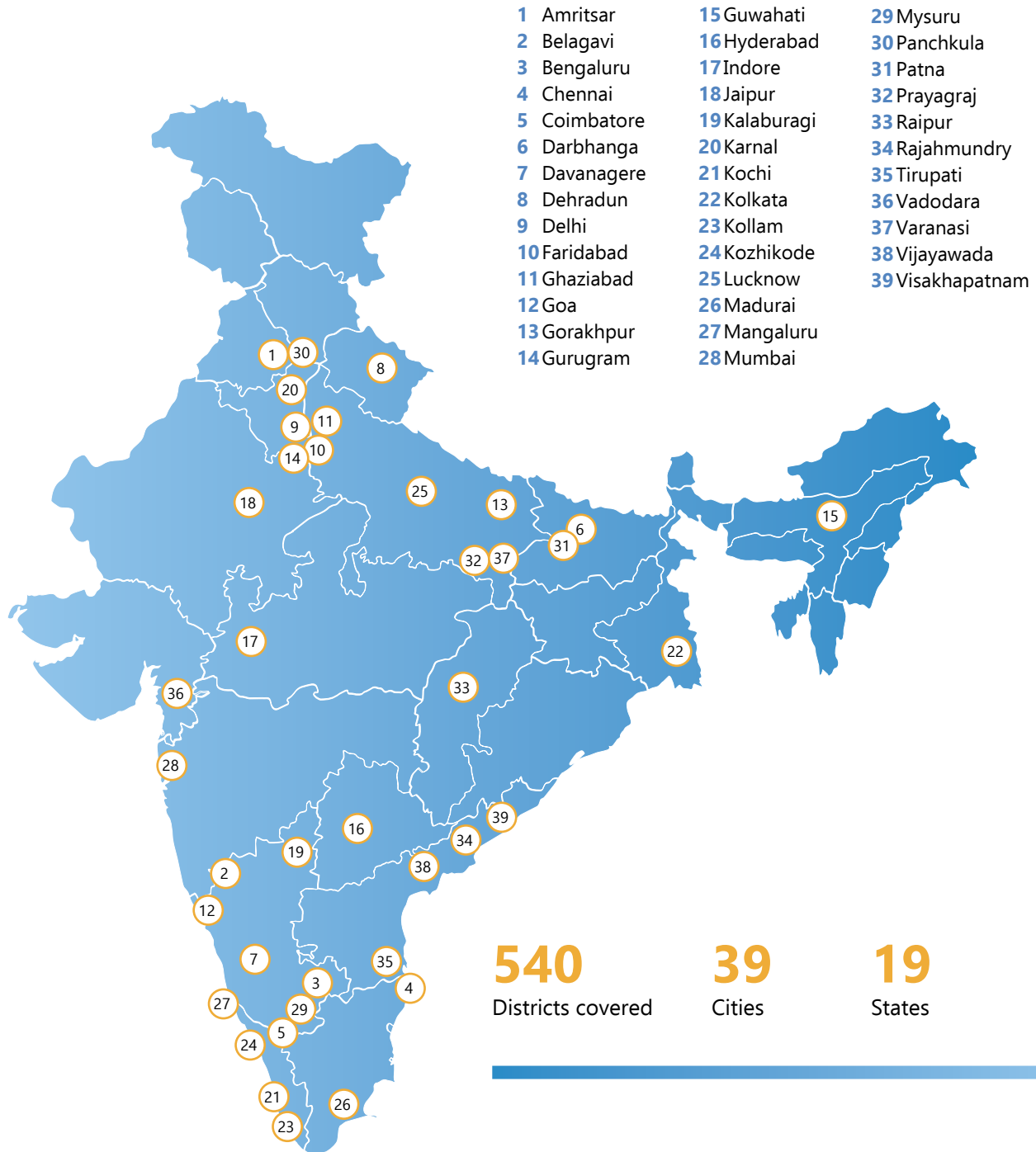


Offer both demand fulfilment and generation solutions to healthcare product manufacturers



Experienced management team backed by healthcare-focussed investor

OUR DISTRIBUTION NETWORK



KEY HIGHLIGHTS



₹ 39,223 million
Revenue from operations



₹ 1,118 million
EBITDA



₹ 398 million
PAT



86,300+
Retail customers



3,500+
Hospital customers



2,000+
Pharma and healthcare
product manufacturers



68,900+
SKUs handled



79
Warehouses



4,78,720 sq. ft.
Total warehouse area



3,240
Employees



₹ 3.43 million
Amount spent on CSR activities

BUSINESS DRIVERS

Strengths that enable us to deliver value across healthcare delivery

As one of India's prominent healthcare product distributors, we provide unparalleled access and service in healthcare delivery with a comprehensive distribution network, strategic acquisitions, and beneficial relationships. Our experienced management team and robust technology platforms position us for continued success in the evolving and highly fragmented healthcare products distribution market.



AMONGST INDIA'S LARGEST AND FASTEST-GROWING HEALTHCARE PRODUCTS DISTRIBUTION PLATFORMS

We have developed a technology-driven, scalable business model, with a focus on network expansion, execution, and cost efficiency to enable demand fulfilment in the healthcare industry. Our extensive footprint in the healthcare products distribution

business includes strong relationships with key stakeholders such as healthcare product manufacturers, pharmacies, hospitals, and clinics. We offer comprehensive distribution solutions and data analytics to healthcare product manufacturers and a one-stop procurement solution for pharmacies, hospitals, and clinics through our advanced technology platforms.

PROVEN SUCCESS IN INORGANIC EXPANSION AND INTEGRATION

We have strategically leveraged market consolidation opportunities in India's healthcare products distribution sector. Since our inception, we acquired and integrated 34 smaller distributors by adopting a pan-India approach, significantly expanding our geographic reach and increasing our wallet share from customers. Our dedicated on-

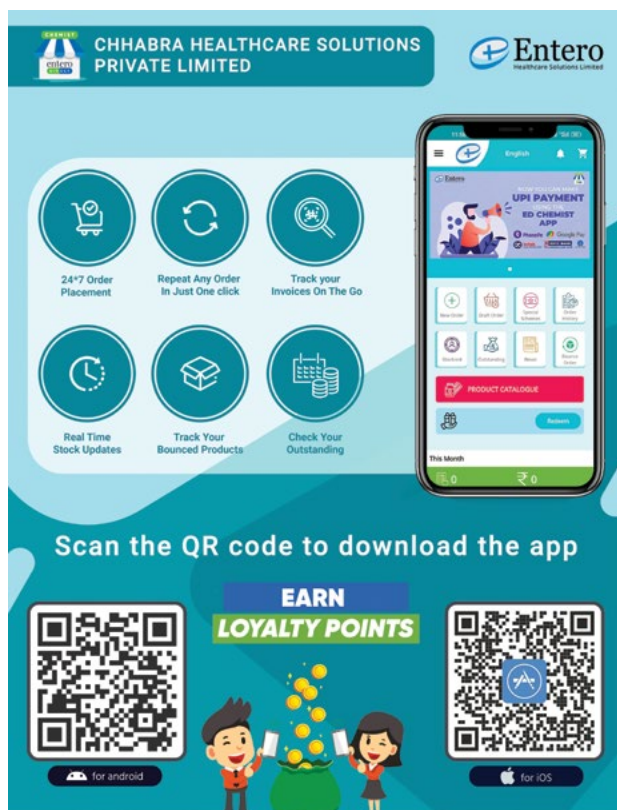
ground acquisition team identifies potential acquisition targets, and upon completion, we implement growth strategies such as product portfolio expansion, enhanced customer reach, improved service levels, and technology-based solutions to drive our market share. We aim to replicate our established, data-driven, process-oriented acquisition and integration approach in both existing and new markets to attract and integrate smaller distributors across India.

COMPREHENSIVE AND INTEGRATED COMMERCIAL AND SUPPLY CHAIN SOLUTIONS

Our differentiated business model enables us to offer comprehensive and integrated commercial and supply chain solutions for healthcare product manufacturers. Our trained sales force and experienced business support teams are crucial in offering distribution services including marketing and promoting brands to improve access to medicines for patients in India. We facilitate engagement opportunities for healthcare product manufacturers by connecting them with retail pharmacies and hospitals within our network. Our technology, customer connect applications, and sales force help communicate product and brand propositions effectively.

We also offer a wide range of nutraceutical products, over-the-counter medical products, vaccines, medical devices, and consumables, including our private-label products like nebulizers, digital thermometers, blood pressure monitors, and adult diapers to pharmacies, hospitals, and clinics. Additionally, we assist healthcare product manufacturers in optimising their sales performance by providing timely secondary sales data, brand performance overviews, and customer insights at a micro-market level.



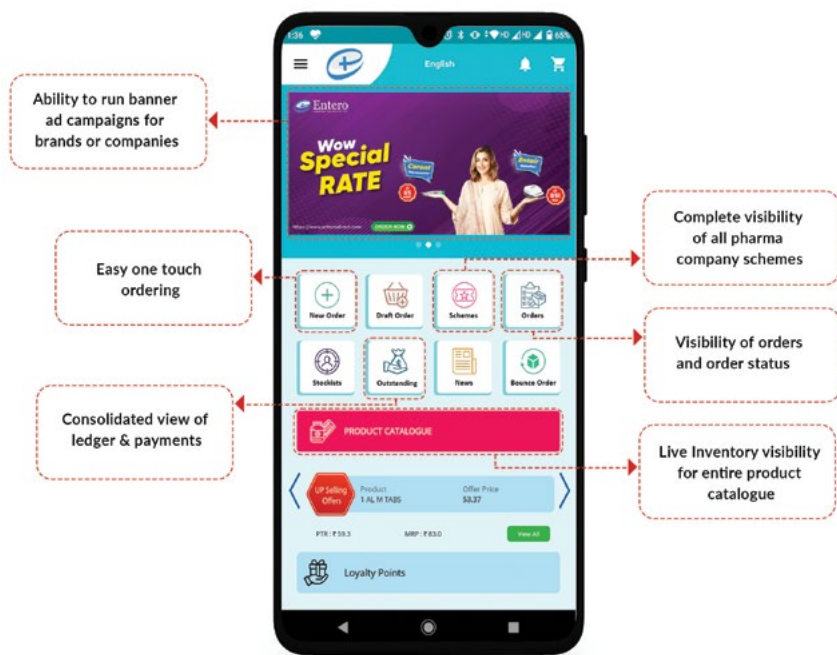


ROBUST TECHNOLOGY PLATFORMS AND SOLUTIONS

Our cutting-edge platforms and solutions enable us to enhance our operations and efficiency in the healthcare products distribution ecosystem.

ENTERO DIRECT

Our Entero Direct application provides a single-interface platform for pharmacies, hospitals, and clinics, offering real-time visibility of products, inventory, pricing, promotional offers, and credit status. Healthcare product manufacturers can display their products, run promotional offers, and customise engagements using AI-based analytics on our platform. Our sales force also uses Entero Direct to plan customer visits, access live inventory levels, and assist customers with orders.



ENTERO CRM

Entero CRM application is a customer relationship management tool designed to enhance our interactions with customers, aiming to boost retention and wallet share.

ENTERO ERP SYSTEM

We have developed our in-house Entero ERP system, a cloud-based ERP tool implemented across multiple locations in India. Key benefits of our Entero ERP system include seamless data integration across locations, complete control over product and customer masters, enhanced security features like web application firewalls, improved centralised controls, and reduced risk of data loss.

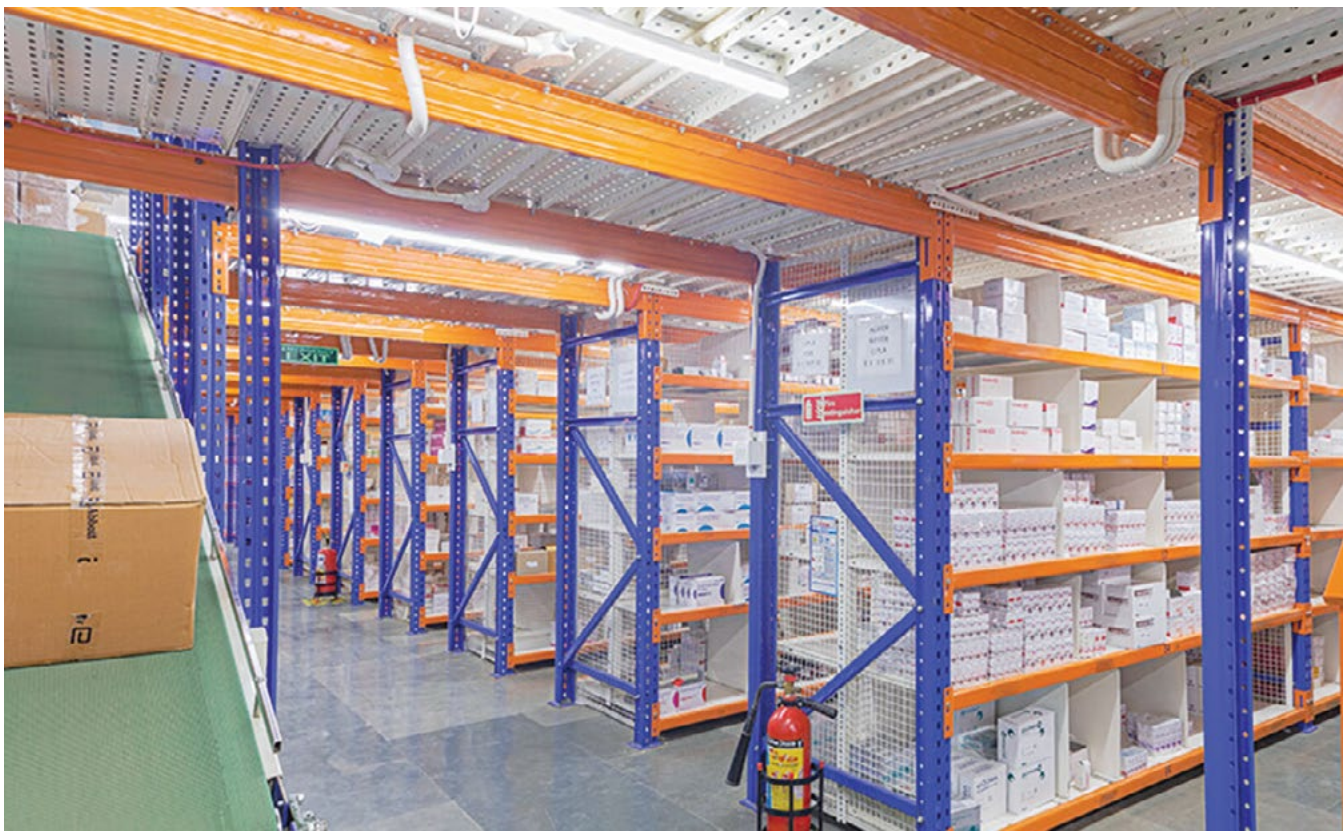
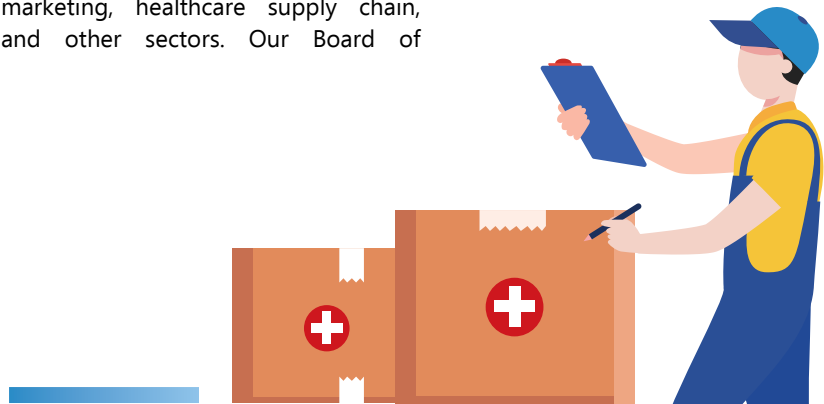
TEQTIC DATA WAREHOUSE AND BUSINESS INTELLIGENCE TOOL

Teqtic is a cloud-based data warehouse, business intelligence, and data analytics tool. It harmonises product codes across our warehouses and provides a nationwide overview of sales, inventory data, and trends, aiding in decision-making.

EXPERIENCED MANAGEMENT TEAM AT THE HELM

We are led by a highly qualified and experienced management team with diverse expertise in healthcare, business, finance, and technology. Our Key Managerial Personnel and Senior Management collectively bring over 85 years of experience in pharmaceutical marketing, healthcare supply chain, and other sectors. Our Board of

Directors adds further understanding of the healthcare industry and financial operations in India. This capable and dynamic leadership team positions us well for expansion and future growth opportunities.



Chairman's Message



Our commitment to corporate governance, strategic direction, and sustainable practices remains unwavering, guided by our Board and Committees' dynamic leadership. We aim to generate long-term value for all the stakeholders.

Dear Shareholders,

We are delighted to present the maiden Annual Report of Entero Healthcare Solutions Limited.

FY 2023-24 has been a remarkable year, marked by our successful transition to a publicly listed company. Your trust and confidence in our vision have been instrumental in achieving this milestone, and we are profoundly grateful.

The Indian pharmaceutical distribution market is steadily shifting from traditional distributors to large, national distributors, driven by market consolidation and the demand for a reliable supply chain. Digitalisation, mergers, and acquisitions are consolidating the sector, as larger players acquire smaller distributors to expand reach and enhance efficiency. Technological advancements, such as artificial intelligence and data analytics, are transforming pharmaceutical distribution by enabling faster deliveries, reducing logistical barriers, and further improving operational efficiency.

Established in 2018 with a clear vision to build an organised, pan-India, technology-driven, and integrated healthcare products distribution platform, Entero is one of India's foremost healthcare product distributors that delivers value across the healthcare ecosystem. We boast of a pan-India network that effectively serves retail pharmacies, hospitals, and clinics.

Our commitment to corporate governance, strategic direction, and sustainable practices remains unwavering, guided by our Board and Committees' dynamic leadership. We aim to generate long-term value for all the stakeholders. Our excellence in stakeholder relationship management, combined with a strong commitment to our environmental and social responsibilities, forms the bedrock of our governance framework. We provide broad guidance to the executive team to finalise our long-term goals,

ensuring alignment with our vision and mission. Our strategic initiatives are designed to foster sustainable growth, innovation, and resilience in an ever-evolving landscape.

Environmental, Social, and Governance (ESG) principles are integral to our operations and strategy. We are committed to setting and achieving aspirational goals that enhance our environmental and social impact. Our focus on sustainability, ethical practices, and community engagement is reflected in our holistic initiatives, ensuring that we contribute positively to society and the environment.

Thank you to our stakeholders for your continued trust and support.

Warm Regards,

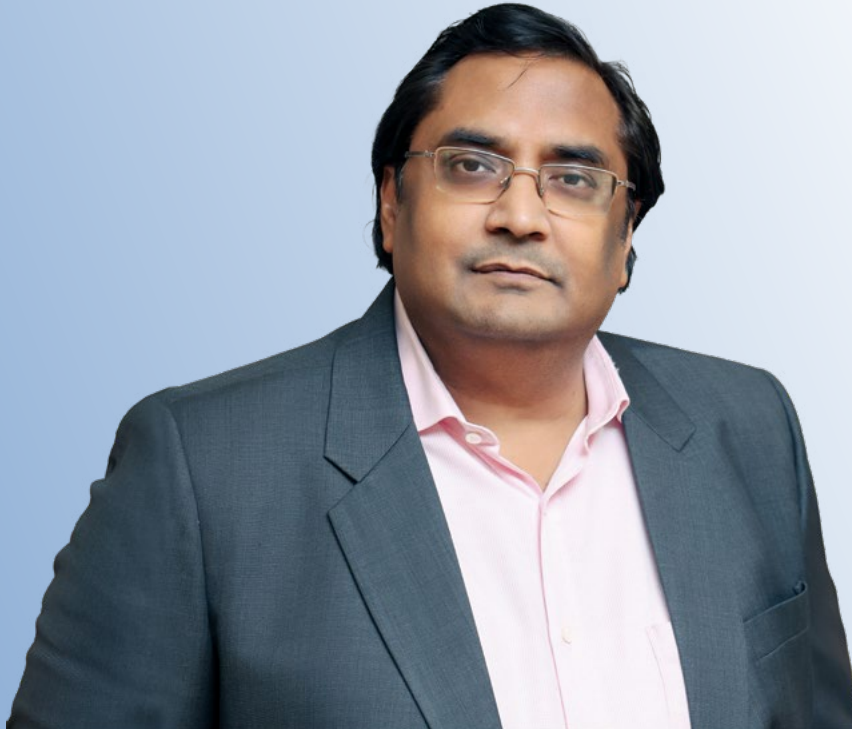
Sujesh Vasudevan

Chairman and Non-Executive
Independent Director

Entero Healthcare Triumphantly Debuts on the Stock Market!



MD & CEO's Message



Founded in 2018, our vision has always been clear: to build an organised, pan-India, technology-driven, and integrated healthcare products distribution platform that adds value to the entire healthcare ecosystem.

Dear Shareholders,

It is with great pleasure that I address you for the first time as a publicly listed company following our successful Initial Public Offering (IPO) in February 2024. Your overwhelming response and unwavering support have been pivotal in reaching this significant milestone, and for that, I extend my heartfelt gratitude. Through the fresh issuance of shares, we successfully raised ₹ 1,000 crores. These funds will be strategically deployed to fund working capital, pursue inorganic growth opportunities, and repay borrowings.

As we navigate a dynamic macro-economic landscape, the healthcare industry continues to demonstrate resilience and significant growth potential. The demand for efficient and reliable nationwide healthcare product distribution services is ever-increasing as the industry is struggling with inefficiencies arising out of extreme fragmentation, lack of integration, and low adoption of technology.

Founded in 2018, our vision has always been clear: to build an organised, pan-

India, technology-driven, and integrated healthcare products distribution platform that adds value to the entire healthcare ecosystem. Today, Entero is amongst India's leading healthcare product distributors with a pan-India network serving retail pharmacies, hospitals, and clinics and is a proud distribution partner for over 2,000 healthcare product manufacturers in the country. We not only distribute their products but also help in accelerating their growth journey by enhancing market access and offering data intelligence and analytics for product sales trends and sales force effectiveness improvement-related initiatives.

Our warehouses spread across the country, along with last-mile delivery and cold-chain-enabled logistics, provide them with a compliant and efficient supply chain to ensure brand availability at the product dispensing points like retail pharmacies, hospital pharmacies, and clinics.

Our technology-focussed approach has been a cornerstone of our business model. Proprietary integrated technology platforms and business intelligence tools have enabled us to enhance supply chain efficiency, streamline operations, and boost sales and delivery performance.

Based on the market opportunity and effective execution of our unique business model, we were able to scale up the revenues to ₹ 39,223 million with net profitability in a short span of five years since our incorporation in 2018.

For the financial year ending March 24, we delivered a revenue growth of 18.8% from ₹ 33,002 million in FY 2022-23 to ₹ 39,223 million in FY 2023-24, accompanied by a significant improvement of 74.6% in EBITDA from ₹ 640 million in FY 2022-23 to ₹ 1,118 million in FY 2023-24. The EBITDA margin improvement was driven by an improvement in gross margins and operating leverage.

We remain extremely bullish about the future prospects of the company. We operate in the large and highly fragmented Indian healthcare products distribution market and expect to benefit from market consolidation. Our nationwide distribution network, relationships with over 2,000 healthcare product manufacturers that give us access to a large product range, and experienced and professional management team position us well to continue to grow the scale of our business and take advantage of the shift towards the organised Indian healthcare product distribution market. Further, we would continue to actively explore expansion opportunities through strategic acquisitions of regional and local distributors to enter new geographies and synergistic product adjacencies.

Based on the synergies between our distribution network, our pharmacy and hospital reach, our established relationships with healthcare product manufacturers, and our marketing and promotion capabilities, we intend to pursue more opportunities for offering integrated commercial solutions to

healthcare brands that intend to expand their reach and footprint in the Indian market. At the same time, we would continue to strive to add efficiencies and quality in the healthcare supply chain, which can benefit all the stakeholders.

I express our sincere gratitude to all the brands and product companies who provide world-class products and all the customers for their trust, which forms the bedrock of our business. I would like to thank our leadership team and employees who have brought us here and on whose commitment and dedication we count for our future success. I would like to acknowledge the support of our board for their guidance and advice and thank our shareholders for their continued trust and confidence in us, which inspires us to take this company to greater heights and strength.

Warm Regards,

Prabhat Agrawal

Managing Director, Chief Executive Officer (Co-Founder)

Whole-Time Director & COO's Message



Within six years of operations, we have rapidly scaled to achieve a consolidated revenue of ₹ 39,223.10 million in FY 2023-24, surpassing the Indian pharmaceutical market (IPM) growth.

Dear Shareholders,

I am delighted to present our inaugural Annual Report for FY 2023-24. This fiscal year has been extraordinary, one where we launched our successful Initial Public Offering (IPO) and raised funds for further expansion. I am deeply grateful to you, our shareholders, for your trust and confidence in our vision and business acumen.

Entero was founded in 2018 with a mission to create a nationwide,

integrated healthcare products distribution platform that delivers value across the healthcare ecosystem. It gives me immense pride to state that Entero stands as one of India's prominent healthcare product distributors, a pan-India network serving retail pharmacies, hospitals, and clinics. We are not just distributors; we are partners in growth, offering end-to-end solutions that encompass demand generation, distribution, and marketing support.

Within six years of operations, we have rapidly scaled to achieve a consolidated revenue of ₹ 39,223.10 million in FY 2023-24, surpassing the Indian pharmaceutical market (IPM) growth. Consistently outperforming the IPM, we have significantly increased our revenue and market share. Our unique business model and strong market position drive our commitment to sustained growth and exceptional stakeholder value.

Our geographical presence spans 540 districts across India, with operations in 79 warehouses across 39 cities in 19 states and union territories. We serve a customer base of over 86,300+ pharmacies, supplying to approximately 1 out of every 10 pharmacies in India. As the largest hospital distributor in the country, we serve over 3,500+ hospitals. Our supply relationships with over 2,000+ healthcare product manufacturers provide access to more than 68,900+ product stock-keeping units (SKUs). Our goal is to become a one-stop shop for our customers' healthcare product needs, ensuring accessibility to a wide range of products and solutions.

Our cutting-edge technological platforms support our distribution capabilities. Our Entero Direct platform, a cloud-based SaaS solution, enables retailers to seamlessly order their procurement needs. Additionally, our Entero CRM application optimises customer relationship management,

boosting retention and wallet share. Our proprietary Entero ERP system, implemented across multiple locations in India, offers seamless data integration, control over product and customer masters, enhanced security features, centralised controls, and reduced data loss risk. We also developed Teqtic, a cloud-based data warehouse and analytics tool that generates customised reports from past customer transactions, allowing us to efficiently roll out updates and new features to all users.

Since our inception, we have successfully acquired 34 entities till 31st March, 2024 in the healthcare products distribution landscape. These acquisitions have significantly propelled our growth, extending our geographical reach and enhancing our product portfolio. Our strategy includes supplementing organic growth with strategic acquisitions of regional and local distributors to expand our customer and supplier base. We pursue opportunities to consolidate our position in existing markets, enter and grow in synergistic product adjacencies, and expand into new geographies.

I would like to take this opportunity to thank our shareholders, customers, employees, business partners, and all other stakeholders for their unwavering support and trust. Supported by integrated platforms and solutions, long-term customer relationships, and



As the largest hospital distributor in the country, we serve over 3,500+ hospitals. Our supply relationships with over 2,000+ healthcare product manufacturers provide access to more than 68,900+ product stock-keeping units (SKUs). Our goal is to become a one-stop shop for our customers' healthcare product needs, ensuring accessibility to a wide range of products and solutions.

a robust financial position, we are well-positioned to capitalise on the highly fragmented distribution market and deliver enduring value for all.

Warm Regards,

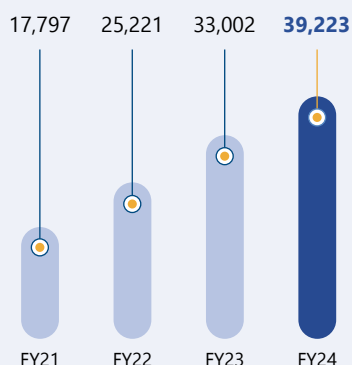
Prem Sethi

Whole Time Director, Chief Operating Officer (Co-Founder)

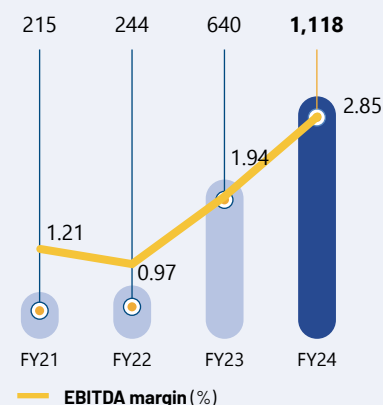
FINANCIAL HIGHLIGHTS

Demonstrating consistent growth

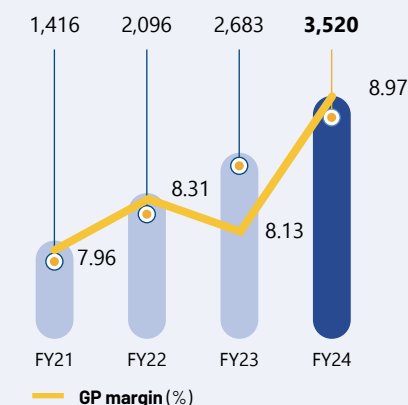
Revenue (₹ million)



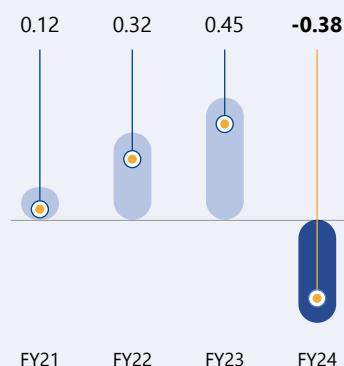
EBITDA (₹ million) & EBITDA margin (%)



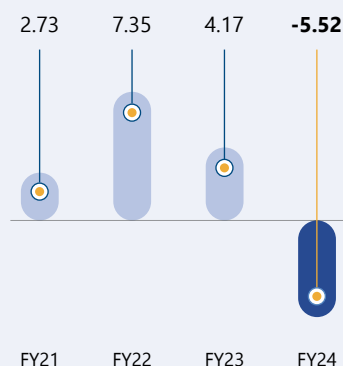
Gross Profit (₹ million) & GP margin (%)



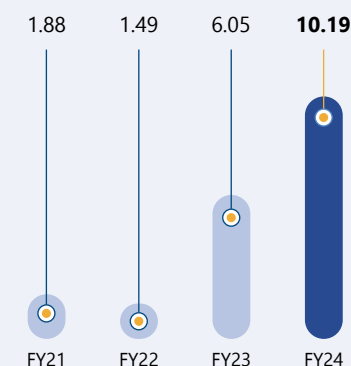
Net debt to equity



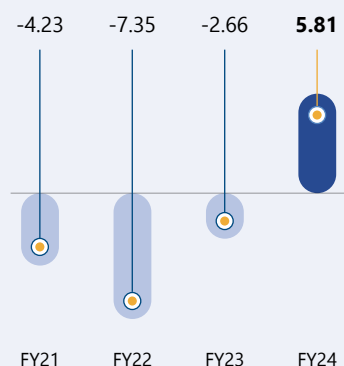
Net debt to EBITDA



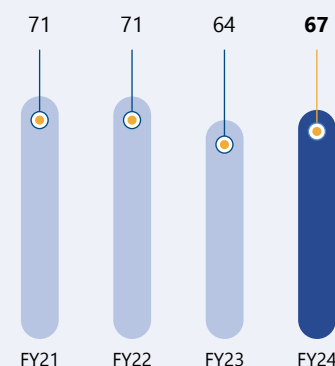
ROCE (%)



ROE* (%)



Working capital days*



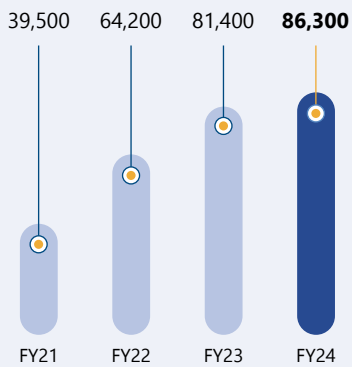
* In ROCE and ROE for FY24, Capital employed excludes impact of undeployed proceeds from IPO

Net Operating Working Capital (Days) =

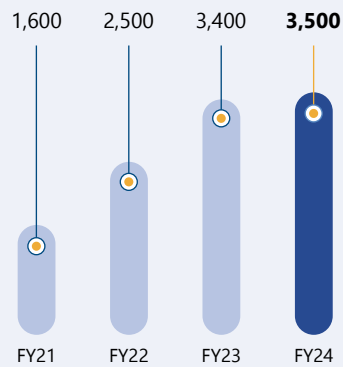
$$\frac{(\text{Trade receivables} + \text{Inventories} - \text{Trade payables})}{(\text{Operating Revenue with GST} / 365)}$$

OPERATIONAL HIGHLIGHTS

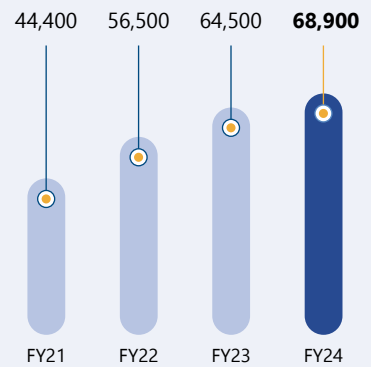
Customers (Retailers)



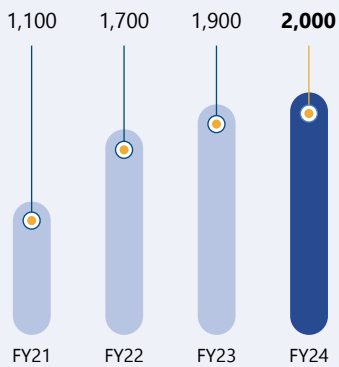
Customers (Hospitals)



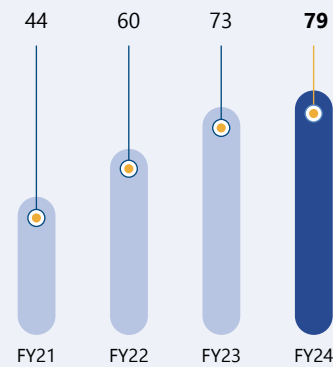
SKUs handled



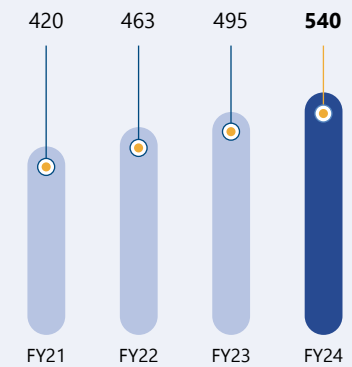
Relationship with healthcare product manufacturers



Warehouses



Districts covered



STRATEGY

Strategic priorities for sustained growth and value-creation

Our strategy focusses on leveraging consolidation opportunities in India's healthcare products distribution market through successful acquisitions. We are favourably positioned to drive organic growth by integrating regional and local distributors with strong branding and market potential. We also aim to broaden our service offerings while investing in technology to enhance efficiencies.



LEVERAGE MARKET CONSOLIDATION WITH STRATEGIC ACQUISITIONS

We operate in the large and highly fragmented Indian healthcare products distribution market, poised for significant consolidation. According to the CRISIL Report, the market for pharmaceutical distributors in India was valued at ₹ 2.7 trillion in FY 2022-23 and is expected to grow at a 10%-11% CAGR through FY 2027-28. The market currently features around 65,000 distributors, with local players holding around 90%-92% share, unlike

developed markets where large distributors dominate. The market consolidation is expected to be driven by factors such as the introduction of the Goods and Services Tax (GST), access to additional capital, better resource management, and the benefits of scale and efficiency. Large national distributors currently hold an 8%-10% market share, which is expected to rise to 20%-30% by FY 2027-28.

10-11%

Expected CAGR growth in Indian pharmaceutical distribution market over FY 2023-28

We are well-positioned to benefit from the market consolidation with our vast network, proven track record of successful acquisitions and integration, and extensive industry experience. Having successfully acquired 34 entities, we aim to further propel growth by acquiring regional and local distributors that have strong branding, market positions, and growth potential.



**Consolidate our position
in current markets**



**Grow in synergistic
product adjacencies**

**OUR
PRIORITIES**



**Enter new
geographies**





STRENGTHEN MARKET SHARE THROUGH CUSTOMER EXPANSION AND GEOGRAPHICAL PENETRATION

We intend to bolster our market position by leveraging our existing distribution network and addressing the low penetration of efficient healthcare product distribution platforms. We plan to replicate our success in key operating cities like Bengaluru, Mumbai, Delhi NCR, Kochi, and Vizag in other cities and regions. This approach ensures significant growth opportunities for our distribution network across India. Our strategy includes:



Expanding customer base

Adding new pharmacies, hospitals, and clinics in both existing and new territories



Increasing wallet share

Offering larger product portfolios and deeper customer engagement through technology and digital solutions



Enhancing geographic reach

Utilising a “hub and spoke” model to connect our warehouses and supply points across districts



Enhancing procurement efficiencies

Providing economies of scale advantages





PURSUE MARKETING AND DISTRIBUTION COLLABORATIONS

We aim to pursue strategic marketing and distribution collaborations by leveraging synergies between our extensive distribution network, reach to pharmacies and hospitals, and established relationships with healthcare product manufacturers. By doing so, we aim to offer integrated commercial solutions, including sales, marketing, promotion, and supply chain services, to pharmaceutical and healthcare brands seeking to expand their presence in the Indian market.



EXPAND PRODUCT ADJACENCIES, PRIVATE LABEL, AND SERVICE OFFERINGS

While we continue to grow our distribution capabilities, we are focussed on broadening our range of products and services for our existing and new customer base. We primarily offer pharmaceutical products; however, we plan to expand into adjacent healthcare product categories such as pharmaceuticals, nutraceuticals, generic

medicines, medical devices, surgical consumables, diagnostic consumables, hospital capital equipment, and OTC products. We also plan to launch and grow our private-label products in categories like medical devices and surgical consumables by leveraging our distribution strength and customer connections. Additionally, we aim to

increase our service offerings through our “HealthEdge” platform, providing technology-driven CRM, inventory management, procurement, and other digital solutions to unorganised pharmacies.



CONTINUE TO INVEST IN TECHNOLOGY TO DRIVE EFFICIENCY AND PROFITABILITY

Continued investments in our technology infrastructure will enable us to increase our customer reach, retention, and wallet share. This includes enhancing our Entero Direct application, ERP systems, CRM application, Teqtic data warehouse, and

other technological developments. Higher investments in technology, combined with our growing scale of operations, synergistic higher-margin product adjacencies, and private label initiatives, will enhance efficiencies and profitability.



BOARD OF DIRECTORS

Leadership driving our success



Sitting from left to right

Sandhya Gadkari Sharma

**Non-Executive
Independent Director**

Sujesh Vasudevan

**Chairman & Non-Executive
Independent Director**

Rajesh Shashikant Dalal

**Non-Executive Independent
Director**

Standing from left to right

**Sumona
Chakraborty**

**Non-Executive
Non-Independent
Director**

Prabhat Agrawal

**Managing Director,
CEO & Co-Founder**

Prem Sethi

**Whole-time Director,
COO & Co-Founder**

Arun Sadhanandham

**Non-Executive
Non-Independent
Director**

**Kevin Rohitbhai
Daftary**

**Non-Executive
Non-Independent
Director**

**Sujesh Vasudevan****Chairman & Non-Executive
Independent Director**

Sujesh Vasudevan is the Chairman and Non-Executive Independent Director of our Company. He obtained his bachelor's degree of pharmacy from the University of Bombay, a master's in management studies from University of Bombay and an advanced management programme from Harvard Business School.

He has more than 18 years of experience. He is currently an independent director in Eris Lifesciences Limited. Previously, he was associated with Glenmark Pharmaceuticals Limited, Abbott India Limited and Torrent Pharmaceuticals Limited.

**Prabhat Agrawal****Managing Director, CEO & Co-Founder**

Prabhat Agrawal is the Promoter, Managing Director and Chief Executive Officer of our Company and he is currently responsible for the overall business strategy, operations, financial performance and management of our Company. He obtained his bachelor's degree in commerce from Mumbai University and a master's degree in management from The Indian School of Business, Hyderabad. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India and is a Chartered Financial Analyst with the Institute of Chartered Financial Analysts, USA.

He has more than 20 years of experience. Prior to joining our Company, he was associated as Chief Executive Officer with Alkem Laboratories Limited, as Group CFO with Metalfrio Solutions SA, Brazil, as Deputy Operations Director with Frigoglass Industries Nigeria Limited, as member of Corporate Strategy and Business Development Cell with Aditya Birla Management Corporation Limited and other organisations in various managerial roles. He received the "CEO of the Year – 2016" award at the 9th Annual Pharmaceutical Leadership Summit and Pharma Leaders Business Leadership Awards 2016.



Prem Sethi

Whole-time Director, COO & Co-Founder

Prem Sethi is the Promoter, Whole-time Director and Chief Operating Officer of our Company. He obtained his bachelor's degree in pharmacy from Rajiv Gandhi University of Health Sciences, Karnataka and a master's diploma in Clinical Research and Pharmacovigilance from James Lind Institute, Karnataka. He has more than 16 years of experience.

Prior to joining our Company, he was associated as Director – Offering Development and Product Management with IQVIA Consulting and Information Services India Private Limited, as Senior Practice Leader with Excellence Data Research Private Limited, as Manager with WNS Global Services Private Limited, and as Business Analyst with Evalueserve Private Limited. He is currently responsible for development and product management in our Company. He received the Business Leader Award from Business Transformation Awards 2021 by Mint and Techcircle.



Rajesh Shashikant Dalal

Non-Executive Independent Director

Rajesh Shashikant Dalal is a Non-Executive Independent Director of our Company. He obtained his bachelor's degree of Technology from the Indian Institute of Technology, Madras.

He has more than 34 years of experience. Previously, he was associated with Orbimed Advisors India Private Limited and Johnson and Johnson Private Limited.



Sandhya Gadkari Sharma

Non-Executive Independent Director

Sandhya Gadkari Sharma is a Non-Executive Independent Director of our Company. She obtained her bachelor's degree of commerce from the University of Bombay and a master's in management studies from University of Bombay.

She has 38 years of experience. Previously, she was associated with Mahindra and Mahindra Limited and ICICI Bank Limited.

**Arun Sadhanandham****Non-Executive Non-Independent Director**

Arun Sadhanandham is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of OrbiMed Asia III Mauritius Limited. He obtained his bachelor's degree of engineering from the Anna University, Chennai and a post graduate diploma in management from Indian Institute of Management of Bengaluru.

He has more than 13 years of experience. He is currently associated with OrbiMed Advisors India Private Limited and prior to joining OrbiMed Advisors India Private Limited, was associated with Kotak Mahindra Capital Company Limited, o3 Capital Global Advisory Private Limited and Mu Sigma Business Solution Private Limited.

**Kevin Rohitbhai Daftary****Non-Executive Non-Independent Director**

Kevin Rohitbhai Daftary is appointed as a Non-Executive Non-Independent Director w.e.f. 29th May, 2024.

Kevin Rohitbhai Daftary is an accomplished Chartered Accountant with over 20 years of experience working presently as Group CFO for the Family Office of Siddhant Partner. Additionally, completed the ICSI final exams and all three levels of the CFA (US) exams. He has been a part of the Ernst & Young ('EY') member firm for approximately 6 years and has also witnessed the growth journey of the Welspun group for about 12+ years.

In addition to his extensive experience, he has authored articles for the Chartered Accountant Journal, Company Secretary Journal, industry magazines, and Business Line newspaper, showcasing his expertise and thought leadership. His core competencies include fund raising, investment and capital management, financial reporting and compliance, strategic leadership, and treasury and corporate finance.



Sumona Chakraborty

Non-Executive Non-Independent Director

Sumona Chakraborty is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of OrbiMed Asia III Mauritius Limited. She obtained her bachelor's degree of technology from National Institute of Technology, Warangal and a post graduate diploma in management from S.P. Jain Institute of Management & Research, Mumbai.

She has more than 10 years of experience. She is currently a Director with OrbiMed Advisors India Private Limited and prior to joining OrbiMed Advisors India Private Limited, she was associated with Avendus Capital Private Limited, Equirus Capital Private Limited, and Verity Knowledge Solutions Private Limited.



Vipul Indravadan Desai

Non-Executive Non-Independent Director

Vipul Indravadan Desai is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of Prasad Uno Family Trust. He obtained his bachelor's degree of commerce from University of Mumbai and a master's programme in business administration in finance management from Indian School of Business Management & Administration.

He has also passed the final examination conducted by the Institute of Chartered Accountants of India. He has 5 years of experience. Previously, he was associated with Akira Properties Private Limited.

He discontinued as a Non-Executive Non-Independent Director w.e.f. 29th May, 2024.



Awards & Accolades



'Best Healthcare Brand'
of 2021 from
Economic Times



Recognised for consistently
performing on **Sambandh
programme** for FY 2020-21 from
Sun Pharma Ltd.



Recognised for
**'A great year of business
collaboration'** by Merck Ltd.



Recognised as **'Maximizer 2022'**
by Pfizer for improving access to
quality medicine in 2022



Received
'Outstanding Performance'
award for FY 2022-23
from Mankind Ltd



Recognised for
'Outstanding Performance'
by JB Chemicals Ltd



Received
**'ELECTRAL 50 Years of
Rehydrating Lives'**
for 2022 Programme from FDC Ltd.



Recognised for
**'Valuable contribution in
driving business'**
for 2021 by Sun Pharma Ltd.



Received
'Outstanding Contribution'
Award in 2021 from Alkem
Laboratories Ltd.



Corporate Information

BOARD OF DIRECTORS

Mr. Sujesh Vasudevan

(Chairman & Non Executive Independent Director)

Mr. Prabhat Agrawal

(Managing Director & Chief Executive Officer)

Mr. Prem Sethi

(Whole Time Director & Chief Operating Officer)

Mr. Rajesh Shashikant Dalal

(Non Executive Independent Director)

Ms. Sandhya Gadkari Sharma

(Non Executive Independent Director)

Mr. Arun Sadhanandham

(Non Executive Non Independent Director)

Ms. Sumona Chakraborty

(Non Executive Non Independent Director)

Mr. Vipul Indravadan Desai

(Non Executive Non Independent Director)
(Resigned w.e.f. 29th May, 2024)

Mr. Kevin Rohitbhai Daftary

(Additional Non Executive Non Independent Director)
(Appointed w.e.f. 29th May, 2024)

GROUP CHIEF FINANCIAL OFFICER

Mr. CV Ram

VICE PRESIDENT, GENERAL COUNSEL, COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Jayant Prakash

STATUTORY AUDITORS

M/s. M S K A & Associates
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Ranjeet Pandey & Associates
Practising Company Secretaries

INTERNAL AUDITORS

Ernst & Young (EY) LLP

BANKERS

HDFC Bank Limited
Axis Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
ICICI Bank Limited
IndusInd Bank Limited
RBL Bank Limited

INVESTOR'S CONTACT

Compliance Officer

Mr. Jayant Prakash, Vice President,
General Counsel, Company Secretary
and Compliance Officer
Corporate Office: Unit No. 605 & 606,
6th Floor, Trade Centre, Bandra Kurla
Complex, Mumbai - 400051
022-26529100, 022-69019100
Email: investor.grievance@ehspl.com

Registrar And Transfer Agent

Link Intime India Private Limited
C-101, 247 Park L.B.S. Marg, Vikhroli
(West), Mumbai - 400053
022 4918 6000
Fax: 022 4918 6060
Email: rnt.helpdesk@linkintime.co.in

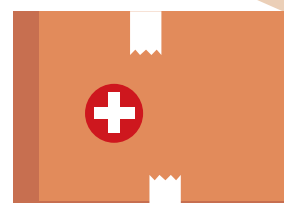
REGISTERED OFFICE

Entero Healthcare Solutions Limited
Plot No. I-35, Building-B,
Industrial Area Phase-I,
13/7 Mathura Road,
Faridabad, Haryana - 121003
CIN: L74999HR2018PLC072204
Phone: 0129-4877300

CORPORATE OFFICE

Unit No. 605 & 606, 6th Floor,
Trade Centre, Bandra Kurla Complex,
Mumbai - 400051
Phone: 022-2652 9100, 022-6901 9100
Email: info@enterohealthcare.com

For Product Medical Information,
Adverse event (AE) or product
complaints related to Entero marketed
products, Kindly contact us on
Phone: 022-26529117
Email: entero.drugsafety@ehspl.com



MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMIC OVERVIEW

The Indian economy continued on a steady growth path, retaining its position as the world's fifth-largest economy, despite challenges posed by higher inflation rates, geopolitical turmoil, and a volatile global economic landscape. India's GDP rose 7.2% in FY 2022-23 on strong growth momentum propelled by domestic demand from investment and private consumption through the year. India's GDP estimated growth shall remain at 7.6% in FY 2023-24 compared to 7.2% in FY 2022-23¹. Furthermore, CPI inflation is on a downward trajectory and eased to 4.9% in March 2024². However, food price uncertainties continue to weigh on the inflation trajectory.

The growth in various economic indicators such as the Index of Industrial Production (IIP), Goods & Services Tax (GST) collections, manufacturing Purchasing Managers' Index (PMI), per capita income, and increasing private capital expenditure collectively reflects a strong economic momentum.

India's economic outlook continues to be optimistic, backed by several factors including increased capital expenditure, positive business and consumer sentiments, proactive government policies and improving rural consumption prospects. Furthermore, the projected growth in India's population to increase to 1.5 billion by 2030, at a CAGR of 0.8% over 2020-30, India's median age is 27.3 years, signifies a favourable demographic dividend. The larger mid-age working population is expected to boost per capita income and consumer spending, further strengthening the economic landscape.

According to the IMF, the Indian economy is expected to advance steadily at 6.8% in FY 2024-25 and 6.5% in FY 2025-26³. The Indian economy is well-positioned to navigate forthcoming uncertainties and is poised to emerge as a global economic powerhouse. With ambitions to attain the status of the world's third-largest economy by 2030, India's economic trajectory holds promise amidst evolving global dynamics.

Source:

1. https://www.mospi.gov.in/sites/default/files/press_release/PressNoteGDP31052024.pdf
2. https://rbidocs.rbi.org.in/rdocs/AnnualReport/PDFs/0ANNUALREPORT202324_FULLLDF549205FA214F62A2441C5320D64A29.PDF
3. IMF - World Economic Outlook April 2024
4. <https://www.ibef.org/exports/pharmaceutical-exports-from-india>
5. <https://www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/the-global-use-of-medicines-2024-outlook-to-2028>
6. Ministry of Chemicals and Fertilizers
7. <https://www.financialexpress.com/budget/budget-2024-health-ministry-gets-over-rs-90658-crore-nearly-13-per-cent-increase-from-fy24-3381969/#:~:text=Budget%202024%3A%20The%20Ministry%20of,interim%20Budget%20for%202024%2D2025>
8. https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/world-health-day-indias-healthcare-sector-reflects-12-59-per-cent-growth-in-2024-25/articleshow/109105006.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst
9. Prospectus

INDUSTRY OVERVIEW

Indian Pharmaceutical Industry

The Indian pharmaceutical industry is the world's third-largest by volume and was valued at ₹ 3.6-3.8 trillion (including bulk drugs and formulation exports)⁹ in the fiscal year 2023. India is the largest provider of generic medicines, occupying a 20% share of global supply by volume and contributing to around 60% of the global vaccines⁴. The Indian pharmaceutical industry experienced steady growth over the last few years with a focus on generic medicines.

According to IQVIA's projections, the spending for medicines in India is expected to reach US\$ 38-42 billion by 2028⁵.

Pharmaceutical expenditure constitutes ~35% of healthcare spending in India. Personal healthcare expenditure increased from ₹ 1,813 billion in fiscal 2012 to ₹ 4,135 billion in fiscal 2022⁹, supported by an increase in government schemes, health spending by states, an increase in income levels, and a rise in disease incidence. Various government schemes have contributed to the growth of the pharmaceutical sector. The flagship scheme, Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) has achieved the target of opening 10,000 retail outlets to provide quality generic medicines at affordable prices. 206 medicines have been added to the product basket in 2023⁶. Furthermore, the Ayushman Bharat initiative exemplifies India's dedication to affordable healthcare for all. The Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission (PM-ABHIM), with an outlay of ₹ 64,180 crores till FY 2025-26⁸, aims to bolster healthcare infrastructure in both rural and urban areas. The Ministry of Health and Family Welfare has been allocated ₹ 90,658.63 crores in the interim Budget for 2024-2025. The Ministry has witnessed a hike of 12.59% per cent over ₹ 80,517.62 crores in the Budget (revised estimates) for FY 2023-24⁷.

The growth momentum of the Indian pharmaceutical industry is expected to continue in the coming years on the back of

favourable government policies, increasing foreign investment, rising healthcare expenditure, rapid use of innovation and technology, and emphasis on domestic manufacturing of quality pharmaceutical products. With the overall Indian healthcare market growing, the pharmaceutical market is poised to grow at 9-10% CAGR between FY 2022-23 and FY 2027-28⁹, supported by strong demand as a result of the rising incidence of chronic diseases, increased awareness and access to quality healthcare.

Indian Pharmaceutical Distribution Industry

India's pharmaceutical distribution market is highly fragmented and competitive with the presence of over 65,000 distributors and more than 9,00,000 retailers. The market served by pharmaceutical distributors in India, comprising pharmaceutical products and medical devices, is valued at ₹ 2.7 trillion in the fiscal year 2023 and is projected to grow at a CAGR of 10-11% from FY 2022-23 to FY 2027-28⁹.

The market is still dominated by traditional local distributors with a market share of 90-92%. The share of large/national distributors in India is 8-10%. The market served by large/national distributors was valued at ₹ 150-170 billion last fiscal year⁹. India has a lower penetration of large/national distributors compared with developed markets, thereby presenting growth potential for large/national distributors.

India is witnessing a shift from standalone/traditional distributors to large/national distributors with a wider presence, backed by market consolidation and the demand for a reliable and scalable supply channel by pharmaceutical and healthcare product manufacturers, among other factors. Furthermore, industry players are providing personalised experiences and value-added services to patients and end-consumers.

With the digitalisation of the pharmaceutical supply chain, mergers and acquisitions in the retail pharmaceutical space are supporting overall industry consolidation. This trend is evident in the pharmaceutical distribution sector, where larger players are acquiring smaller traditional local distributors to expand market reach and improve operational efficiency.

COMPANY OVERVIEW

Founded in 2018, Entero Healthcare Solutions Limited is the third-largest and fastest-growing healthcare supply chain company in India. Within a short period, we have established ourselves as a premier specialist in healthcare supply chain solutions. We are engaged in the distribution of pharmaceuticals, medical devices and consumables to retail pharmacies and institutional players. Additionally, we provide value-added services such as marketing and promotion services to pharmaceutical companies thereby acting as a partner to these companies.

Our core business involves providing distribution and logistics services for healthcare products to pharmacies, hospitals and healthcare clinics throughout India. We have an extensive reach, catering to over 86,300+ retail pharmacies and 3,500+ hospitals, addressing both retail and institutional requirements. Our relationship with more than 2,000+ healthcare product manufacturers enables us to provide access to a vast product portfolio comprising 68,900+ SKUs. We serve our customers, including pharmacies, hospitals and healthcare clinics, through a geographically diverse network of 79 distribution warehouses spread across 39 cities in 19 states and union territories.

Our retail distribution channel involves supplying healthcare products to pharmacies, which subsequently sell to end customers. We supply to over 86,300+ pharmacies across 488 districts. Our nationwide distribution network, comprising our delivery fleet, personnel, and third-party courier services, ensures efficient delivery to pharmacies.

Through our hospital distribution channel, we supply healthcare products to hospitals and healthcare clinics across India. We serve more than 3,500+ hospitals located across 277 districts.

Our ancillary business involves providing demand fulfilment and generation solutions to healthcare product manufacturers, along with integrated commercial solutions including sales, marketing, and supply chain solutions, enabling them to expand their presence in the Indian market. Additionally, we sell private label products and medical devices under our brand, Entero Surgicals.



Pan-India presence:

79

Warehouses

540

Districts

39

Cities

19

States



Broad Spectrum of Offerings:

68,900+

SKUs

2,000+

Healthcare product
manufacturers


Expansive Customer Network:

86,300+

Retail pharmacies

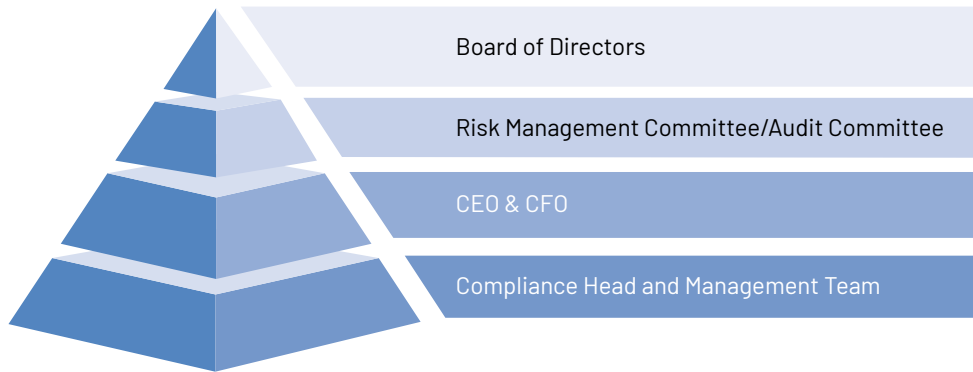
3,500+

Hospital customers

RISK MANAGEMENT

Risk management is integral to our business strategy and operations. We have a Risk Management Framework to mitigate and minimise the impact of risks on our business operations. We have procedures for Risk Identification, Risk Assessment, Risk Treatment/Mitigation and Risk Review & Closure.

Risk Governance Structure



Major Risks & Mitigation Actions

Probable Risk	Possible Impact	Mitigation Measures
M&A Risk	To the extent we fail to identify, complete and successfully integrate acquisitions with our existing business or should the acquisitions fail to deliver internal results, our financial performance could be adversely affected.	Entero Healthcare's M&A team actively seeks to identify new targets that aid Territorial expansion, Territorial dominance or give a Unique product mix. Members within the business team focus on integration of the acquired business with the mainstream by actively providing support and guidance to the newly acquired entities.
Liquidity Risk	Lack of available liquid financial assets such as cash may cause difficulties in achieving projected growth as the business is working capital-intensive.	The Company has raised capital through Initial Public Offering which provides adequate liquidity to fulfil the Company's growth plans. The Company is also taking several measures to drive revenue growth and optimise costs to improve cash flows.
Supply Chain Disruption Risk	We have no control over the supply of products from suppliers which could be impacted by a number of factors.	We have contingency plan designed to enable us to transfer goods from alternate locations within the group.
Technology Risk	Loss of data and unauthorised access to information technology systems due to security breach, could adversely impact the business operations of the Company.	The Company has a robust cyber security framework in place through use of antivirus, firewalls to protect against possible breach. The Company also uses remote data backups and the latest versions of software to mitigate technology risks.
Talent Acquisition and Retention Risk	Human capital is an important pillar for the Company's success. It is important to attract, engage, develop and retain qualified and experienced employees, including key executives and other talent. High attrition rates could impact the performance of the Company.	Employee retention is managed through learning and skill development workshops, employee engagement initiatives, Entero Cares programme, and rewards/recognition programmes. High performers are given opportunities to move to cross-functional roles in order to enhance their overall career.

Probable Risk	Possible Impact	Mitigation Measures
Operations Risk	Any disruption to the operation of our warehouses, or to the development of new warehousing and logistics facilities, could adversely impact our business, financial health, and operational results. Natural disasters or other unforeseen catastrophic events may disrupt our warehouse operations and hinder new facility development, impacting our business significantly.	We have a nationwide presence of 79 distribution warehouses located across India. This broad network enhances our resilience to potential disruptions by providing redundancy and alternative options for maintaining operations during unforeseen events.
Product Quality Risk	Our business is exposed to risks inherent in the distribution of healthcare products, such as distributing expired, defective or counterfeit products, transportation damage, and customer returns. This could result in financial losses, damage to our reputation, and potential product liability claims, all of which could harm our overall financial performance and customer trust. Any claims, regardless of validity, could tarnish our reputation and confidence in our products.	We have distribution relationships with healthcare product manufacturers. Under these distribution arrangements, we buy products meeting agreed quality standards, with any defects promptly replaced by the manufacturer. Furthermore, we have the option to seek reimbursement from suppliers for any payments made to customers or end users due to issues like distributing expired or defective products, transportation damage, or storage spoilage.

OPERATIONAL OVERVIEW

The Company's journey has been remarkable, marked by resilience, dedication and innovation. We have established a solid foundation in India's healthcare distribution landscape by leveraging our extensive reach, industry expertise, robust infrastructure, experienced leadership, and technology capabilities. This has enabled us to adapt swiftly to market dynamics, address the evolving needs of the market and contribute to improved healthcare access across the country.

We are focussed on strategic acquisitions to consolidate our distribution presence across key markets and fuel our long-term growth. We have acquired 34 entities in the healthcare products distribution industry. Due to our acquisition track record and pan-India approach, we have been able to consistently attract distributors to integrate with us. Moving forward, we plan to complement our organic growth with strategic acquisitions to enhance our customer and supplier network. We are actively pursuing expansion opportunities through strategic acquisitions of regional and local distributors.

Our strategies revolve around strengthening our market position through augmenting our customer base, wallet share, and geographic penetration. We aim to achieve this by forging comprehensive distribution and marketing collaborations with healthcare product manufacturers. Additionally, we are focussed on broadening our product adjacencies, private label, and service offerings. We are committed to consistently investing in technology, leveraging our scale and synergistic adjacencies to enhance efficiencies and drive profitability.

FINANCIAL HIGHLIGHTS

Financial Performance

Particulars	(₹ in million)	
	FY 2023-24 Consolidated	FY 2022-23 Consolidated
Revenue	39,223	33,002
Gross Profit	3,520	2,683
Gross Margin (%)	9%	8.1%
EBITDA	1,118	640
EBITDA Margin (%)	2.9%	1.9%
PBT	356	(37)
PAT	398	(111)

Key Ratios (Consolidated Basis)

	FY 2023-24	FY 2022-23	YoY Change (%)	Explanation
Inventory Turnover	9.36	9.30	0.6% -	
Interest Coverage Ratio	1.86	1.20	55.1%	Gross margin improvement in the current year
Current Ratio	3.34	1.64	103.7%	Increase in current ratio on account of IPO proceeds in the current year
Debt Equity Ratio	0.17	0.62	(73.1)%	Repayment of debts during the year from IPO proceeds
Debtors Turnover	6.94	7.42	(6.5)% -	
Operating Profit Margin (%)	2.85%	1.94%	47.0%	Gross margin improvement and operational efficiency
Net Profit Margin (%)	1.01%	(0.34)%	(401.6)%	Profit in the current year as against losses in the last year
Return on Net Worth (%)	2.42%	(1.86)%	(230.5)%	Profit in the current year as against losses in the last year

INFORMATION TECHNOLOGY

We leverage our technological platforms and solutions to bolster our healthcare products distribution business, enhance our operational capabilities and drive efficiencies within the distribution ecosystem. Our technology-focussed approach is anchored on our proprietary integrated technology platforms and business intelligence tools.

Our Entero Direct platform, a cloud-based 'software-as-a-service' solution, empowers retailers to streamline their procurement process with us. It offers comprehensive order management, tracking, returns, and claims settlement services, providing real-time visibility of inventory and order status. Additionally, the platform incorporates loyalty programmes to enhance retailer retention. Moreover, it enables our sales force to plan customer visits, access live inventory levels, and view ongoing offers and promotions, facilitating efficient order placement. Furthermore, our delivery fleet utilises Entero Direct to plan deliveries and update delivery status on the application.

Our Entero CRM application serves as our customer relationship management tool, focussing on enhancing customer retention and expanding wallet share. With Entero CRM, our call centre executives can access customer details like past billings and outstanding payments during interactions with customers. Additionally, the application meticulously tracks all customer calling schedules, including missed calls, ensuring effective customer management.

We have developed our in-house Entero ERP system, which has been implemented across multiple locations in India. Our Entero ERP system is a cloud-based ERP tool, which streamlines our operations.

We utilise Teqtic, a cloud-based system designed as a data warehouse, business intelligence, and data analytics tool, to

generate customised reports for monitoring various aspects such as sales, purchases, and inventory levels across all our distributors and warehouses in India. Leveraging our previous customer transactional data and records, Teqtic facilitates seamless updates and new feature deployments to all users, including both internal and external customers, with identity-based access control provided to customers.

HUMAN RESOURCE

At Entero Healthcare, we treasure our employees as our most valuable asset, crucial to our growth and business sustainability. Embracing the ethos of empowering our people, we have meticulously crafted our HR policy to create a safe, meaningful, and transparent work environment for all team members. We ensure that Entero Healthcare's vision for growth is aligned with our employees aspirations.

Our HR team prioritises identifying, recruiting, and retaining the right talent while fostering continuous employee engagement with the Company's mission and vision. To create an environment of agility and continuous learning, we conduct regular learning programmes to enhance our workforce's skills and competencies. Our employee strength at the Entero Group level stood at:

3,240

employees as on 31st March, 2024

We believe in the holistic development of our employees, creating an environment that fosters growth, celebrates achievements, and promotes continuous learning. Our framework, EMPOWER. LEARN. CELEBRATE. THRIVE, encapsulates our approach to employee development, ensuring that every team member is equipped to reach their full potential and contribute to our collective success.



Empowering Our People

At Entero Healthcare, empowerment is a core value. We foster an inclusive environment where every employee feels valued and motivated to excel. All our people initiatives are aimed at enhancing employee engagement ensuring our team feels connected to the ethos of our company's mission. The outcome of this is that, in our internal Employee Pulse Survey, we found that 95% of our employees are proud to work at Entero Healthcare and 90% are happy with the career opportunities provided here. As a leading healthcare products distributor with a presence in 540 districts across 39 cities in India, we offer employment with varied incentives to our field staff in an otherwise fragmented and unorganised industry. By generating employment PAN India, we are contributing to the economic growth and professional development of our workforce. Since our inception, we have created employment opportunities for nearly 1,300 people pan-India in various cities. Empower is a common theme that runs in all that we do including our core HR processes. Take for instance our Performance Management System – LEAP. Through LEAP, we not only enhance performance through employee development but also give power to our employees – by giving them a platform to voice their performance/achievements in appropriate forums.

Contribution to Sustainable Development Goals



Promoting Diversity & Equality

We are deeply committed to gender equality and women's empowerment. Over 26% of our workforce comprises women, in spite of being in industry which has been very traditional in its approach and which is usually dominated by males, we have ensured we have considerable number of female workforce, and we are proud to share that more than 40% of our workforce comprise of women if we include our contractual employees. We take pride in recognising and celebrating women's achievements, and we are glad to see their progress and how they have significantly contributed to our company's growth and success. We would continue our dedication to promoting diversity and equality in our initiatives and we are committed to support a balanced and inclusive workplace.

Over 40%

of our workforce comprises women including contractual employees





Saritha is our manager in Davanagere, a true role model of dedication and perseverance. She started her journey in the picking team and has since become an essential part of our Entero family. Currently, Saritha is our CRM Manager in Davanagere, handling a team of 26 employees. Her strong leadership, coupled with her fearless attitude and unwavering persistence, keeps our sales thriving. Despite her busy schedule, Saritha remains empathetic and caring towards her team members, always ready to lend a helping hand. Coming from an agricultural background, she understands the value of hard work and dedication, and she tirelessly supports both her work and her family with equal devotion. We are incredibly proud to have her leading the way, inspiring us with her dedication every single day.

Name: **Saritha B G**

Designation: CRM Manager, Davanagere



"I am Sandhya, the Operations Manager in Kollam, and I've had the honour of being a part of Entero Family. My journey started at the bottom in the expiry department, and I've worked across various roles like inventory, dispatch, and billing, guiding our growth every step of the way. Due to my education and will to be independent, Entero has given me and many others like me to fulfill our career aspirations, add value, and grow in a sector that is predominantly male-dominated. Entero is helping us get employment in places like Kollam and is making a significant difference for women. Today, I'm not just self-sufficient but also a pillar of strength for my family."

Name: **Sandhya Vikraman**

Designation: Operations Manager, Kollam

Work Environment with a Purpose

We are transforming the healthcare delivery system in India through technology integration and streamlined processes.

We also aim at ensuring a purposeful work environment by also prioritising the health and well-being of our employees. We regularly organise health camps and seminars to provide comprehensive health services and information for our employees wellbeing.

Celebrating achievements is integral to our culture, with programmes recognising hard work and accomplishments. This fosters a sense of pride and motivation among employees, contributing to a positive and thriving work environment.



**Together with our people,
we aim to provide excellence
and transform healthcare
delivery across boundaries in
India, improving healthcare
access nationwide.**



INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Our Company has an efficient internal control system, commensurate with the nature of its business and the size and complexity of its operations. The internal control framework is responsible for addressing a range of governance, compliance, audit, control, and reporting issues that may impact our business. We follow stringent procedures, systems, policies and processes to ensure orderly and efficient conduct of business, accuracy of financial transactions and reporting, safeguarding of assets and resources, and compliance with applicable laws and regulations.

Our audit committee regularly monitors and reviews the adequacy of the internal control systems and internal audit findings and recommends corrective action plans for the improvement of the business process and internal control system. Key observations and recommendations are communicated to the management, which takes appropriate corrective measures as deemed necessary.

CAUTIONARY STATEMENT

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations, maybe 'forward-looking statements' within the meaning of applicable securities laws and regulations. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include but are not limited to, the performance of the Indian economy and various international markets, the performance of the industry in India and globally, competition, changes in the government regulations and tax laws as well as the Company's ability to implement its strategy successfully, future growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. Actual results could differ from those expressed or implied in the forward-looking statements. The Company assumes no obligation to update, amend, modify or revise any forward-looking statements, whether as a result of any subsequent developments, new information, future events, or otherwise.

BOARD'S REPORT

Dear Members,

On behalf of the Board of Directors ('the Board'), it is our pleasure to present the 6th Annual Report of the Company along with the Audited Financial Statements (standalone and consolidated) and Auditors Report for the Financial Year ended 31st March, 2024 ("FY 2023-24").

1. Key Financial Highlights (Standalone and Consolidated)

Financial highlights of the Company for FY 2023-24 as compared to the preceding financial year, on consolidated and standalone basis are given below.

(₹ in million)

Particulars	Consolidated		Standalone	
	For the financial year ended 31st March, 2024	For the financial year ended 31st March, 2023	For the financial year ended 31st March, 2024	For the financial year ended 31st March, 2023
Net Sales /Income from Business Operations	39,223.10	33,002.07	3,181.61	1,776.90
Other Income	144.13	55.14	899.25	525.66
Total Income	39,367.23	33,057.21	4,080.86	2,302.56
Total Expenses other than Interest, Depreciation & Amortization	38,104.67	32,361.99	3,526.55	2,216.06
Profit /(loss) before Interest and Depreciation	1,262.56	695.20	554.31	86.50
Less: Interest	656.84	489.72	223.18	113.04
Profit /(loss) before Depreciation	605.72	205.48	331.13	-26.55
Less: Depreciation and amortization	250.17	242.37	87.48	98.01
Profit / (loss) after depreciation and Interest	355.55	(36.89)	243.65	(124.55)
Exceptional Item	0.00	0.00	0.00	0.00
Less: Current Income Tax	133.78	99.65	-	-
Less: Previous year adjustment of Income Tax	-	-	-	-
Less: Deferred Tax	(176.22)	(25.49)	(140.75)	-
Net Profit after Tax	397.99	(111.05)	384.40	(124.55)
Remeasurement of Benefit liabilities/ (Assets)	(2.58)	8.11	1.40	0.96
Income Tax relating to items that will not be reclassified to profit & loss account	0.41	(1.48)	(0.35)	-
Total Comprehensive Income	(2.17)	6.63	1.05	0.96
Less: Minority share of profits / losses	6.90	4.59	-	-
Dividend (including Interim if any and final)	-	-	-	-
Net Profit after dividend and Tax	395.82	(104.42)	385.45	(123.59)
Earnings per share (Basic) in ₹ Actual	10.81	(0.18)	10.63	(0.19)
Earnings per Share (Diluted) in ₹ Actual	10.81	(0.18)	10.63	(0.19)

2. State of Company's affairs

The Standalone and Consolidated Financial Statements of your Company for FY 2023-24 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations').

The revenue from operations on standalone basis for FY 2023-24 stood at ₹ 3,181.61 million as against ₹ 1,776.90 million for FY 2023-24, whereas the profit for FY 2023-24 stood at ₹ 384.40 million as against Loss of ₹ 124.55 million for FY 2023-24.

The revenue from operations on consolidated basis for FY 2023-24 stood at ₹ 39,223.10 million as against ₹ 33,002.07 million for FY 2023-24. Whereas the Profit for FY 2023-24 stood at ₹ 397.99 million as against loss of ₹ 111.05 million for FY 2023-24.

The Company's performance has been discussed in detail in the "Management Discussion and Analysis Report" which forms a part of this Report.

3. Business Operations & Future Outlook

Please refer page 6 to 9 and 18 to 21 for the Business Operations & Future Outlook.

4. Transfer to Reserves

The Company does not propose to transfer any amount to the General Reserve.

5. Dividend

In order to conserve the resources of the Company, the Board doesn't recommend any dividend for the Financial Year under review.

6. Initial Public Offering ("IPO") of Equity Shares

During the year under review, your Company made an Initial Public Offering ("IPO") consisting of fresh issue of 79,55,769 equity shares and offer for sale of 47,69,475 equity shares of face value of ₹ 10/- each of the Company for cash at a price of ₹ 1258/- per equity share including a premium of ₹ 1248/- aggregating to ₹ 15,999 million by allotment/transfer. The IPO included reservation for employees of the Company and its subsidiaries and accordingly 15,268 equity shares of ₹ 10/- each were allotted at a premium of ₹ 1,129/-, being discount of ₹ 119/- per equity share, as permitted under applicable SEBI(ICDR) Regulations. The fresh issue consisted of approx. ₹ 10,000 million. The issue opened on Friday, 9th February, 2024 and closed on Tuesday, 13th February, 2024. The Company successfully completed the IPO process and the equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 16th February, 2024.

7. Utilization of Issue Proceeds

The details of utilization of Issue proceeds of the IPO are submitted to the Stock Exchanges on quarterly basis and are available on their websites. As on 31st March, 2024, there was no material variation between projected utilization of funds in the Offer document and the actual utilisation of funds.

The following table sets forth details of the utilisation of the Net Proceeds:

(₹ in million)

Sr. No.	Particulars	Total estimated amount/ expenditure to be funded from the Net Proceeds of IPO	Estimated deployment of Net Proceeds in Financial Year 2024	Actual deployment of Net Proceeds in Financial Year 2024
1.	Repayment/prepayment, in full or part, of certain borrowings availed of by your Company	1,425.00	1,425.00	1,425.00
2.	Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026	4,800.00	1,500.00	1,579.50
3.	Pursuing inorganic growth initiatives through acquisitions	2,370.00	600.00	-
4.	General Corporate purposes	917.00	93.00	102.70
	Total Net Proceeds	9,512.00	3,618.00	3,107.20

In accordance with the requirements of SEBI (ICDR) regulations, the Company has appointed ICRA Limited as Monitoring Agency for review and certification of utilization of the IPO proceeds to the Company.

8. Share Capital**A. Authorised Share Capital**

As on 31st March, 2024, Authorised Share Capital of the Company is ₹ 9,74,35,00,000/- (Nine Hundred Seventy-Four Crores and Thirty-Five Lakhs Only) divided into 7,45,70,000 (Seven Crores Forty-Five Lakhs Seventy Thousand Only) Equity Shares of ₹ 10/- each and 89,97,80,000 (Eighty-Nine Crores Ninety-Seven Lakhs Eighty Thousand Only) Compulsorily Convertible Cumulative Preference Shares ("CCPS") of ₹10/- each.

B. Changes in Issued, Subscribed and Paid-up Share Capital

During the FY 2023-24, the changes in Issued, Subscribed and Paid-up Equity Share Capital of your Company was as follows:

Particulars	No. of Equity Shares of Face Value of ₹ 10/- each	Amount (in ₹) (Excluding Premium)
Issued, Subscribed and Paid-up Equity Share Capital at the beginning of the financial year 2023-24	41,11,527	4,11,15,270
Equity Shares issued/allotted during the financial year 2023-24, pursuant to conversion of Compulsorily Convertible Cumulative Preference Shares	3,14,31,671	31,43,16,710
Equity Shares issued/allotted during the financial year 2023-24, pursuant to Initial Public Offering	79,50,569	7,95,05,690
Issued, Subscribed and Paid-up Equity Share Capital at the end of the financial year 2023-24	4,34,93,767	43,49,37,670

During the FY 2023-24, the changes in Issued, Subscribed and Paid-up Compulsorily Convertible Cumulative Preference Share Capital of your Company was as follows:

Particulars	Series A1 CCPS of Face Value of ₹ 10/- each	Series A2 CCPS of Face Value of ₹ 10/- each	Series A3 CCPS of Face Value of ₹ 10/- each	Series A4 CCPS of Face Value of ₹ 10/- each	Series A5 CCPS of Face Value of ₹ 10/- each
Number of Preference Shares at the beginning of the financial year 2023-24	47,19,99,900	16,11,70,627	30,96,833	2,73,46,590	—
Number of Preference Shares issued/allotted during the financial year 2023-24	—	—	—	—	**5,09,84,559
*Number of Preference Share at the end of the financial year 2023-24	—	—	—	—	—

*All the Compulsorily Convertible Cumulative Preference Shares were converted into equity shares on 12th July, 2023 and 27th January, 2024.

****Details of A5 CCPS issued and allotted during the financial year 2023-24 are as follows:**

Sl. No.	Date of Allotment	Mode of issue/ allotment	No. of A5 CCPS Allotted	Face Value per equity share (in ₹)	Nature of consideration
1.	28-07-2023	Allotment of A5 CCPS	5,00,03,944	10	Cash
2.	31-07-2023	Allotment pursuant to Disposal of Rights Issue of A5 CCPS	9,80,615	10	Cash

Details of Equity Shares allotted due to conversion of CCPS during the financial year 2023-24 are as follows:

Sl. No.	Date of Allotment	Mode of issue/ allotment	No. of Equity shares Allotted	Face Value per equity share (in ₹)	Nature of consideration
1.	12-07-2023	Allotment of Equity Shares pursuant to Conversion of 85,43,198 A1 CCPS of ₹ 10/- each	85,43,198	10	N.A.*
2.	12-07-2023	Allotment of Equity Shares pursuant to Conversion of 29,17,188 A2 CCPS of ₹ 10/- each	29,17,188	10	N.A.*
3.	12-07-2023	Allotment of Equity Shares pursuant to Conversion of 4,94,973 A4 CCPS of ₹ 10/- each	4,94,973	10	N.A.*
6.	27-01-2024	Allotment of Equity Shares pursuant to Conversion of 46,34,56,702 A1 CCPS of ₹ 10/- each	1,09,54,617	10	N.A.*
7.	27-01-2024	Allotment of Equity Shares pursuant to Conversion of 15,82,53,439 A2 CCPS of ₹ 10/- each	37,40,532	10	N.A.*
8.	27-01-2024	Allotment of Equity Shares pursuant to Conversion of 30,96,833 A3 CCPS of ₹ 10/- each	28,94,741	10	N.A.*
9.	27-01-2024	Allotment of Equity Shares pursuant to Conversion of 2,68,51,617 A4 CCPS of ₹ 10/- each	6,50,771	10	N.A.*
10.	27-01-2024	Allotment of Equity Shares pursuant to Conversion of 5,09,84,559 A5 CCPS of ₹ 10/- each	12,35,651	10	N.A.*
Total			3,14,31,671		

*The equity shares were allotted pursuant to conversion of Compulsorily Convertible Cumulative Preference Shares which were fully paid-up at ₹ 10/- each.

Details of Equity Shares allotted due to Initial Public Offering ("IPO") during the financial year 2023-24 are as follows:

Sl. No.	Date of Allotment	Mode of issue/ allotment	No. of shares Allotted	Face Value per equity share (in ₹)	Nature of consideration
1.	16-02-2024	Allotment of Equity Shares pursuant to IPO	79,50,569	10	Cash

9. Alteration of Memorandum of Association (MOA) & Articles of Association (AOA)
Alteration of MOA

During FY 2023-24, the Object clause of the Memorandum of Association was altered, pursuant to approval of the members of the Company, at their Extraordinary General Meeting held on 30th May 2023, to include service related to marketing and / or promotion of products offered by the Company.

During FY 2023-24, pursuant to approval of the members of the Company, at their Extraordinary General Meeting held on 8th July 2023, Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 8,043,500,000 divided into 4,570,000 Equity Shares of ₹ 10/- each, 565,847,000 Series A1 CCPS of ₹ 10 each, 193,564,100 Series A2 CCPS of ₹ 10/- each, 3,996,900 Series A3 CCPS of ₹ 10/- each, and 36,372,000 Series A4 CCPS of ₹ 10/- each to ₹ 9,743,500,000 divided into 74,570,000 Equity Shares of ₹ 10/- each, 565,847,000 Series A1 CCPS of ₹ 10/- each, 193,564,100 Series A2 CCPS of ₹ 10/- each, 3,996,900 Series A3 CCPS of ₹ 10/- each, 36,372,000 Series A4 CCPS of ₹ 10/- each and 100,000,000 Series A5 CCPS of ₹ 10/- each.

Pursuant to approval of the members of the Company, at their Annual General Meeting held on 7th August, 2023, Clause I of the MoA was amended to reflect the change in name of your Company from "Entero Healthcare Solutions Private Limited" to "Entero Healthcare Solutions Limited" pursuant to conversion of your Company from a private limited company to a public limited company, and references to the Company were accordingly updated in the MoA.

Alteration of AOA

During FY 2023-24, pursuant to approval of the members of the Company, at their Extraordinary General Meeting held on 17th July 2023, new set of Articles of Association was adopted by the Company to, inter alia, set forth the terms of Series A5 Compulsorily Convertible Cumulative Preference Shares.

In relation to the IPO and consequent listing of Equity Shares of the Company on stock exchanges, the Articles of Association of the Company were amended/revised in accordance with listing requirements in the Annual General Meeting held on 7th August, 2023. However, in order to retain certain provisions of the investor related restrictions (entrenchment provisions) the Articles of Association prior to amendment were retained and renamed as Part B and a new set of Articles titled Part A was added such that Part A and Part B would co-exist together till filing of Red Herring Prospectus with the Registrar of Companies and upon filing of the same, Part B would automatically stand deleted without any further action in this regard.

During FY 2023-24, pursuant to approval of the members of the Company, at their Extraordinary General Meeting held on 7th September, 2023, Part B of the Articles of Association were altered in accordance with the requirements of Shareholders' Addendum Agreement dated 6th September, 2023. With effect from the date of filling of Red Herring Prospectus of your Company with Registrar of Companies, i.e. 5th February, 2024, Part A of

the AOA continues to be effective and Part B has become ineffective.

10. Employees' Stock Option Plans ("ESOPs")

Your Company has Employee Stock Option Plan namely, Entero Employees Stock Option Plan, 2023 ("ESOP 2023"). The said ESOP 2023 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB & SE Regulations") and have also been approved by the Members of the Company on 7th September, 2023.

The Secretarial Auditors of your Company have provided a certificate stating that the aforesaid ESOP Plans have been implemented in accordance with SEBI SBEB & SE Regulations and are in accordance with the approval of shareholders of the Company. The said certificate will be placed before the members at the AGM. The disclosures as required under Regulation 14 of SEBI SBEB & SE Regulations, are available on the website of the Company at <https://www.enterohealthcare.com/>

11. Credit Rating

The Company has obtained Credit Ratings from India Ratings and Research, a Fitch Group Company for its term loans. ("Credit Rating Agency"). The Credit rating(s) were as follows:

Instrument	Rating	Outlook
Term Loan	IND BBB	Stable

12. Deposits

The Company has not accepted or renewed any deposit as covered under Section 73 of the Companies Act, 2013, from its members or the public or others, during FY 2023-24. Further, no amount on account of principal or interest on deposits from the public was outstanding as on 31st March, 2024.

Further the disclosure as per Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

Sl. No.	Particulars	Amount (in ₹)
1.	Deposits accepted during the year	NIL
2.	Deposits remained unpaid or unclaimed as at the end of the year	NIL
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	NIL
	i. At the beginning of the year	
	ii. Maximum during the year	
	iii. At the end of the year	
4.	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	NIL

***Note: Disclosure pursuant to Rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014:** No declaration is required as the Company has not received any monies from the Directors during the year.

13. Material Changes and Commitments affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which had occurred between the end of the financial year and the date of this Report.

14. Adequacy of Internal Financial Controls with Reference to the Financial Statements

The Board has adopted systems, policies and procedures for efficient conduct of business, operations, safeguarding its assets and prevention of frauds. This ensures accuracy and completeness of accounting records and its timely preparation.

15. Subsidiaries, Associates and Joint Ventures

Your Company has the following subsidiaries as on 31st March, 2024. The details are as follows:

Sl. No.	Name of the Subsidiary Companies	Percentage holding
1.	Novacare Healthcare Solutions Private Limited	100.00%
2.	R S M Pharma Private Limited	100.00%
3.	Getwell Medicare Solution Private Limited	85.00%
4.	Sundarlal Pharma Distributors Private Limited	100.00%
5.	Chhabra Healthcare Solutions Private Limited	100.00%
6.	Galaxystar Pharma Distributors Private Limited	100.00%
7.	Avenues Pharma Distributors Private Limited	100.00%
8.	Chirag Medicare Solutions Private Limited	100.00%
9.	Jaggi Enterprises Private Limited	100.00%
10.	Chethana Healthcare Solutions Private Limited	100.00%
11.	Vasavi Medicare Solutions Private Limited	100.00%
12.	SVMED Solutions Private Limited	100.00%
13.	Chethana Pharma Private Limited	100.00%
14.	Millennium Medisolutions Private Limited	100.00%
15.	Rada Medisolutions Private Limited	100.00%
16.	Sesha Balajee Medisolutions Private Limited	100.00%
17.	Barros Enterprises Private Limited	100.00%
18.	Sree Venkateshwara Medisolutions Private Limited	100.00%
19.	Quromed Lifesciences Private Limited	100.00%
20.	Rimedio Pharma Private Limited	100.00%
21.	Curever Pharma Private Limited	100.00%
22.	Calcutta Medisolutions Private Limited	100.00%
23.	Chethana Pharma Distributors Private Limited	100.00%
24.	CPD Pharma Private Limited	100.00%
25.	Atreja Healthcare Solutions Private Limited	100.00%
26.	Western Healthcare Solutions Private Limited	100.00%
27.	City Pharma Distributors Private Limited	100.00%
28.	Zennx Software Solutions Private Limited	100.00%
29.	Swami Medisolutions Private Limited	100.00%
30.	New RRPD Private Limited	100.00%
31.	New Siva Agencies Private Limited	100.00%
32.	Sri Parshva Pharma Distributors Private Limited	100.00%
33.	Sri Rama Pharmaceutical Distributors Private Limited	100.00%

Sl. No.	Name of the Subsidiary Companies	Percentage holding
34.	SVS Lifesciences Private Limited	100.00%
35.	Saurashtra Medisolutions Private Limited	100.00%
36.	S.S. Pharma Traders Private Limited	100.00%
37.	G.S.Pharmaceutical Distributors Private Limited	100.00%
38.	Entero R.S. Enterprises Private Limited *	100.00%
39.	Dhanvanthri Super Speciality Private Limited #	80.00%

* Out of the above, during the FY 2023-24, your Company has acquired 100% of the shareholding of Entero R.S. Enterprises Private Limited and thus it has become wholly-owned subsidiary of your Company.

Further, during the FY 2023-24, your Company has acquired 80% of the shareholding of Dhanvanthri Super Speciality Private Limited and thus it has become Subsidiary of your Company.

Your Board reviewed the affairs of subsidiaries and there has been no material change in the nature of the business of such subsidiaries. Further, no Company ceased to be a subsidiary of the Company during FY 2023-24.

There are no associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act").

In accordance with the requirements of Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and all its subsidiaries are prepared in accordance with the provisions as specified in the Companies (Accounts) Rules, 2014, form part of the Annual Report. Further, a statement containing the salient features of the financial statement of the Company's subsidiaries in the prescribed form AOC-1 is attached as "Annexure-I" to the Board's Report. This statement also provides the details of the performance and financial position of each subsidiary.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements and related information of the subsidiaries, where applicable, will be available for inspection on demand in electronic form. These will also be available on the Company's website at <https://www.enterohealthcare.com/>

16. Particulars of Loans, Guarantees or Investments

The Company makes investments or extends loans/ guarantees to its subsidiaries/wholly owned subsidiaries for their business purpose. Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, form part of the notes no 52 to the standalone financial statements forming part of this Annual Report.

17. Corporate Governance and Additional Shareholders' Information

Your company practices a culture that is built on transparency and ethical values. A detailed Report on the corporate governance systems and practices of the Company is given separately in this Annual Report.

A certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of corporate governance is attached to the Report on corporate governance.

18. Management Discussion and Analysis

A detailed Report on the Management Discussion and Analysis in terms of the provisions of Regulation 34 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), is provided as a separate chapter in the Annual Report.

19. Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the year ended 31st March, 2024, is provided in a separate section and forms part of this Annual Report and is also made available on the website of the Company at <https://www.enterohealthcare.com/>.

20. Board of Directors and Key Management Personnel

Appointment/ Re-appointment of Directors

Your Company has an optimum combination of Directors on its Board of Directors ('Board'). As on 31st March, 2024, the Board consisted of two (2) Executive Directors, three (3) Non-Executive Independent Directors including one (1) Woman Independent Director and three (3) Non-Executive Directors (Nominee Directors), including one (1) Woman Director, in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. Your Directors are eminent individuals of diverse backgrounds with skills, experience and expertise in various field, the complete list of which has been provided in the Corporate Governance Report forming part of this Report.

During FY 2023-24, the following changes took place in the Board composition:

Appointment(s)

Mr. Sujesh Vasudevan (DIN: 08240092) was appointed as an Additional (Independent) Director w.e.f. 25th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved his appointment as a Non-Executive – Independent Director for a term of 3 years, w.e.f. 25th August, 2023, not liable to retire by rotation. Mr. Vasudevan has been designated as the Chairman of the Board w.e.f. 26th August, 2023.

Mrs. Sandhya Gadkari Sharma (DIN: 02005378) was appointed as an Additional (Independent) Director w.e.f. 25th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved her appointment as a Non-Executive – Independent Director for a term of 3 years, w.e.f. 25th August, 2023, not liable to retire by rotation.

Mr. Rajesh Shashikant Dalal (DIN: 03504969) was appointed as an Additional (Independent) Director w.e.f. 25th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved his appointment as a Non-Executive – Independent Director for a term of 3 years, w.e.f. 25th August, 2023, not liable to retire by rotation.

Mr. Vipul Indravadan Desai (DIN: 08350894) was re-appointed as Non-Executive Non-Independent Director (a nominee of Prasad Uno Family Trust) w.e.f. 25th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved his appointment as a Non-Executive Non-Independent Director (Nominee Director), liable to retire by rotation.

Mr. Arun Sadhanandham (DIN: 08445197) was re-appointed as Non-Executive Non-Independent Director (a nominee of Orbimed Asia III Mauritius Limited) w.e.f. 25th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved his appointment as a Non-Executive Non-Independent Director (Nominee Director), liable to retire by rotation.

Ms. Sumona Chakraborty (DIN: 09597426) was appointed as Additional Non-Executive Non-Independent Director (a nominee of Orbimed Asia III Mauritius Limited) w.e.f. 24th August, 2023 and subsequently, the members at their Extra Ordinary General Meeting held on 7th September, 2023 have approved her appointment as a Non-Executive Non-Independent Director (Nominee Director), w.e.f. 7th September, 2023, liable to retire by rotation.

Mr. Prabhat Agrawal was re-appointed as Managing Director and Chief Executive Officer of the Company w.e.f. 26th August, 2023 for a period of 5 years, liable to retire by rotation.

Mr. Prem Sethi was re-appointed as Whole-time Director and Chief Operating Officer of the Company w.e.f. 26th August, 2023 for the period of 5 years, liable to retire by rotation.

Cessation(s) / Resignation(s)

Mr. Sunny Sharma, Non-Executive Director, resigned from the Board w.e.f. 23rd August, 2023. The Board places on record appreciation for his invaluable contribution and guidance during his tenure.

Retire by Rotation of Ms. Sumona Chakraborty (DIN: 09597426), Non-Executive Non-Independent Director (Nominee)

All the Directors (other than the Independent Directors), on the Board of your Company are liable to retire by rotation. In terms of the provisions of Section 152(6) of the Act and the Rules made thereunder, Ms. Sumona Chakraborty (DIN: 09597426), Non-Executive Non-Independent Director (Nominee) is scheduled for retirement by rotation at the ensuing AGM. Ms. Sumona Chakraborty, being eligible, has offered herself for re-appointment. Based on the recommendations of the Nomination & Remuneration Committee, the Board recommends the re-appointment of Ms. Sumona Chakraborty at the ensuing AGM.

A brief resume, nature of expertise, details of directorships held by Ms. Sumona Chakraborty in other companies along with her shareholding in the Company as stipulated under the Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an Annexure to the Notice of the ensuing AGM.

Ms. Sumona Chakraborty is not debarred or disqualified from holding the office of Director by virtue of SEBI Order or any other authority pursuant to BSE Circular pertaining to enforcement of SEBI Orders regarding appointment of Directors by Listed Companies.

Key Managerial Personnel (KMPs) and Senior Managerial Personnel (SMPs)

The following persons have been designated as the Key Managerial Personnel pursuant to Sections 2(51) and 203 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Prabhat Agrawal, Managing Director and Chief Executive Officer

- Mr. Prem Sethi, Whole-time Director and Chief Operating Officer
- Mr. Jayant Prakash, Vice President – General Counsel, Company Secretary and Compliance Officer
- Mr. Venkataramana Ram Chebolu (“CV Ram”), Group Chief Financial Officer

The details of the Senior Managerial Personnel of the Company are as mentioned below:

- Mr. Sambit Mohanty, President Institutional Business
- Mr. Shashwat Nigam, Vice President – Head Retail Pharma Business

21. Declaration by Independent Directors

All the Independent Directors of the Company have given their respective declarations/disclosures under Section 149(7) of the Companies Act, 2013 ('Act') and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and have confirmed that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant proficiency, expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management of the Company.

22. Familiarisation Programme for Directors

Disclosure pertaining to familiarisation programmes for Directors is provided on the website of the Company i.e. <https://www.enterohealthcare.com/>

23. Meetings

During the Financial year 2023-24, Twenty-Six (26) meetings of Board of Directors were held. The maximum gap between two Board Meetings did not exceed 120 days.

Details of Board Meetings and attendance of the Directors are provided in Corporate Governance Report which forms a part of this Report.

24. Performance Evaluation

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has adopted a Policy and criteria for evaluation of the Board, its Committees and Individual Directors. The performance of the Board and its Committees were evaluated after seeking inputs from all the Directors on the basis of criteria such as the composition and meetings, role & responsibilities and overall effectiveness of the Board & Committees. Evaluation of the performance of all Individual Directors (including Independent Directors and Chairman) was also done during the year. The details of the Board Evaluation process are mentioned in the Corporate Governance Report forming part of this Report.

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors met on 2nd December, 2023 and 22nd March 2024 without the presence of Non-Independent Directors. Further, details regarding this are mentioned in the Corporate Governance Report forming part of this Report.

25. Policy for Appointment of Directors and Remuneration

The Nomination and Remuneration Policy of the Company provides roles and responsibilities of the Nomination and Remuneration Committee and the criteria for evaluation of the Board and compensation of the Directors and Senior Management. Further the assessment and appointment of members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise and specific qualification required for the position. The potential Independent Board member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of the Listing Regulations and on recommendation of the Nomination and Remuneration Committee, the Board has adopted a policy including criteria for determining the qualification, positive attributes, independence and other matters for appointment and remuneration of Directors, Key Management Personnel and Senior Managerial Personnel. The said Policy is uploaded on the website of your Company at <https://www.enterohealthcare.com> and is followed for respective appointment(s).

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

26. Board Committees

In compliance with the Statutory requirements, the Company has constituted committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee. The Company had also constituted IPO Committee and Committee of Independent Directors, for matters related to Initial Public Offering of the Company, which stand dissolved w.e.f. 8th March 2024.

A detailed update on the Board, its composition, governance of committees, terms and reference of various committees, number of committee meeting held during the year is provided in the Corporate Governance Report, which forms a part of this Report.

During the year, all recommendations made by the committees were approved by the Board.

27. Business Risk Management

Your Company has developed and implemented the risk management policy for the company. The risk management policy approved by the Board of Directors in their meeting held on 25th August, 2023 is available on the website of the company at <https://www.enterohealthcare.com/investor/corporate-governance/policies.php>.

The Company has established a well documented and robust risk management framework under the provisions of Companies Act, 2013. Under this framework, risks are identified across all business process of the Company on continuous basis. Once identified, they are managed systematically by categorizing them. It has been identified as one of the key enablers to achieve the Company's objectives. Increased competition, impact of recessionary trends on the award of jobs and manpower attrition are some of the major risks faced in the industry. However, your Company has adopted risk mitigation steps so as to protect the profitability of the business.

28. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

1. in the preparation of the annual accounts for the FY 2023-24, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2024, and of the profits and loss of the Company for that period;

3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the directors have prepared the annual accounts on a going concern basis;
5. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
6. 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.

29. Related Party Transactions

Your Company has formulated a Policy on Related Party Transactions in accordance with the provisions of Sections 177 and 188 of the Act and Rules made thereunder read with Regulation 23 of SEBI Listing Regulations, and the same is available on the website of your Company at <https://www.enterohealthcare.com>.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between your Company and its related parties. All Related Party contracts or arrangements or transactions entered during the year were on arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Act/ SEBI Listing Regulations. No material Related Party Transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company.

None of the contract or arrangement or transaction with any of the Related Parties was in conflict with the interest of your Company. Since all the transactions with related parties during the year were on arm's length basis and in the ordinary course of business, hence, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company for FY 2023-24.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Note 45 of the standalone and Note 49 of the consolidated financial statements, respectively, forming part of this Report.

30. Compliance with Downstream Investment requirements

During the year under review, the Company had complied with applicable requirements in respect of Downstream Investment(s) made during the year, as per Foreign Exchange Management (Non-debt Instruments) Rules, 2019, issued by Reserve Bank of India ("RBI") and has obtained a certificate from the Statutory Auditors of the Company in respect of the same. The auditors certificate would be available at Annual General Meeting for inspection by members.

There were certain delays in respect of certain reporting requirements of Downstream Investment pertaining to years prior to FY 2023-24, and the Company had filed an application for compounding to the RBI for such delay for the downstream investments made in 17 of the Company's Subsidiaries. The Company had received the compounding order from RBI dated 4th January, 2024, and has paid the requisite fee of ₹ 4.74 million during FY 2023-24.

31. Vigil Mechanism/ Whistle Blower Policy

The Company has Whistle-Blower Policy (Whistle-Blower/ Vigil Mechanism) to report concerns. Under this policy, provisions have been made to safeguard persons who use this mechanism from victimization.

The policy also provides access to the chairperson of the Audit Committee under certain circumstances. The said Policy is also available on the Company's website <https://www.enterohealthcare.com/>

32. Auditors

A. Statutory Auditors

The Members at the AGM held on 24th December, 2019, approved the appointment of M/s. M S K A & Associates (Firm Registration No. 105047W), Chartered Accountants, as the statutory auditors of your Company for a period of five years commencing from the conclusion of the 1st AGM held on 24th December, 2019, until the conclusion of 6th AGM of your Company to be held in the year 2024.

The report of the Statutory Auditors forms part of the Annual Report for FY 2023-24. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Your Company, based on the recommendation of the Audit Committee and the Board of Directors vide their resolution of even date 29th May, 2024, proposes and recommends to the members of the Company for re-appointment of M/s. M S K A & Associates (Firm Registration No. 105047W), Chartered Accountants, as the statutory auditors of your Company for the second term of 5(Five) consecutive years from the conclusion

of the ensuing 6th AGM till the conclusion of 11th AGM of the Company to be held in the calendar year 2029.

B. Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, M/s. Ranjeet Pandey & Associates, Practicing Company Secretaries (Membership No. F5922, Certificate of Practice 6087) were appointed to conduct the Secretarial Audit of the Company for Financial Year 2023-2024. The Secretarial Audit Report for FY 2023-24 is attached as "**Annexure-II**".

The Secretarial Auditor's certificate confirming compliance with conditions of corporate governance as stipulated under Listing Regulations, for financial year ended 31st March, 2024 also forms part of this Report.

33. Board's Response on Auditors Qualification, Reservation or Adverse Remark

- There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, in their Report for the financial year ended 31st March, 2024. The Report is enclosed with financial statements in this Annual Report.
- The Secretarial Auditors Report for the financial year ended 31st March, 2024 doesn't contain any qualification, reservations or adverse remarks.

34. Reporting of Frauds

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud during the year under review.

35. Significant and Material Orders Passed by the Courts/ Regulators

During FY 2023-24, there were no significant and/or material orders, passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.

36. Corporate Social Responsibility

Based on the applicable provisions, your Company has adopted a CSR Policy. The said Policy is also available on the Company's website <https://www.enterohealthcare.com>

However, provisions relating to CSR spent were not applicable to the Company during FY 2023-24. Therefore, there is no requirement of providing Annual Report on CSR activities, in terms of Section 135 of the Act and the Rules framed thereunder.

37. Information Required Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy.

All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment Act to redress complaints received regarding sexual harassment.

The necessary disclosure in terms of requirements of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 in this regard is given below:

- No. of complaints filed during the Financial Year: **Nil**
- No. of complaints disposed off during the Financial Year: **Nil**
- No. of complaints pending as on end of Financial Year: **Nil**

38. Secretarial Standards

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meeting of Board of Directors' and 'General Meetings' respectively have been duly complied by the Company.

39. Awards and Recognitions

Please refer page 27 for the awards/recognitions received by the Company and its subsidiaries.

40. Particulars of Employees

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 attached as **Annexure III** forming part of this Report.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in said rules forms part of this Report. Considering the provisions of Section 136 of the Act, the Annual Report, excluding the aforesaid information, is being sent to the Members of the Company and others entitled thereto. The said information is available for inspection at the registered office of your Company or through electronic mode during business hours on working days up to the date of the forthcoming AGM, by Members. Any Member interested in obtaining a copy thereof may send an e-mail to co.sec@ehspl.com or investor.grievance@ehspl.com.

41. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

(A) CONSERVATION OF ENERGY-

- | | |
|--|---|
| a. The steps taken or impact on conservation of energy; | The Company is engaged in pharma / surgical products' |
| b. The steps taken by the company for utilising alternate sources of energy; | distribution trading of medicines, etc., which requires very minimum amount of energy. However, the Company has |
| c. The capital investment on energy conservation equipments; | taken measures to reduce energy consumption, wherever possible. |

(B) TECHNOLOGY ABSORPTION-

(a) The efforts made towards technology absorption	No new technology has been absorbed during the financial year.
(b) The benefits derived like product improvement, cost reduction, product development or import substitution.	N.A.
(c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- i. the details of technology imported ii. the year of import iii. whether the technology been fully absorbed iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	No new technology has been imported during the last three years.
(d) The expenditure incurred on Research and Development.	NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

During the year under review, total Foreign Exchange Earnings and Outgo on actual inflow and outflow basis, is as under:

(₹ In lakhs)		
Particulars	FY 2023-24	FY 2022-23
Foreign Exchange Earning	-	-
Expenditure in Foreign Exchange	294.74	443.42

42. Copy of Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company will place a copy of the Annual Return as of 31st March, 2024, on its website at <https://www.enterohealthcare.com>

43. DISCLOSURES

Your Directors state that for the Financial Year 2023-24, no disclosures are required in respect of the following items and accordingly affirm as under:

- The provisions relating to maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 are not applicable on the Company during the financial year.
- No amount or Shares were required to be transferred to the Investor Education and Protection Fund under the provisions of the Act.
- Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
- No Buyback of shares was undertaken by the Company during FY 2023-24.
- There was no change in the nature of the business of the Company.
- There were no instances where your Company required the valuation for one-time settlement or while taking the loan from the Banks or Financial Institutions.
- No petition/application has been admitted against the Company, under Insolvency and Bankruptcy Code, 2016, by the National Company Law Tribunal.
- Neither the Managing Director nor the Whole-time Director of the Company receives any remuneration or commission from any of its subsidiaries.
- The Company has software for maintaining its books of account and has a feature of recording audit trail for each transaction with audit log.

44. Acknowledgement

We thank our customers, vendors, investors, bankers, employees, for their continued support during the year. We place on record our appreciation for the contribution made by our employees at all levels. Our growth was made possible by their hard work, co-operation and support. We further place on record their sincere appreciation for the assistance and co-operation received from Financial Institutions, Banks, Government Authorities and Business Partners.

For and on behalf of the Board of Directors of
Entero Healthcare Solutions Limited

Prabhat Agrawal
Managing Director & CEO
(DIN: 07466382)
Place: Mumbai

Address: 29th Floor,
N 2901, Lodha World One, Senapati Bapat Marg, Upper Worli,
Delisle Road, Mumbai-400013

Place : Mumbai
Date : 2nd August, 2024

Prem Sethi
Whole-Time Director & COO
(DIN: 07077034)
Place: Mumbai

Address: House No-03,
Sector- 37, Amarnagar, Faridabad -121003

AOC-1

Names		(Amounts in ₹ million)							
Particulars	G. S. Pharma- ceutical Distributors Private Limited	Novacare Healthcare Solutions Private Limited	R S M Pharma Private Limited	Getwell Medicare Solution Private Limited	Sundarlal Pharma Distributors Private Limited	Chhabra Healthcare Solutions Private Limited	Galaxystar Pharma Distributors Private Limited	Avenues Pharma Distributors Private Limited	
Date since when subsidiary was acquired	09-Aug-18	09-Aug-18	14-Aug-18	26-Dec-18	29-Dec-18	19-Jan-19	21-Feb-19	15-Apr-19	
Share Capital	36.00	110.00	15.00	80.00	10.00	0.10	10.00	0.10	
Reserves & surplus	(36.95)	(68.59)	125.91	119.94	(87.92)	(51.34)	50.78	(13.35)	
Total assets	362.09	1628.16	633.61	689.04	45.15	201.97	598.46	801.51	
Total liabilities	363.04	1586.76	492.70	489.10	123.06	253.21	537.68	814.75	
Investments	-	-	-	-	-	-	-	-	
Turnover	1,013.49	4,382.23	3,426.30	1,826.10	392.51	581.57	2,853.44	2,807.57	
Profit / (Loss) before tax	(10.48)	(22.16)	64.91	33.23	(13.81)	(24.20)	22.87	(25.18)	
Provision for taxation	1.74	(18.39)	16.58	8.97	-	-	5.35	(4.25)	
Profit or (Loss) After Tax for the year	(12.22)	(3.77)	48.33	24.27	(13.81)	(24.20)	17.53	(20.94)	
Proposed Dividend	-	-	-	-	-	-	-	-	
% of shareholding	100%	100%	100%	85%	100%	100%	100%	100%	

AOC-1

Particulars	Names	(Amounts in ₹ million)							
		Chirag Medicare Solutions Private Limited	Jaggi Enterprises Private Limited	Chethana Healthcare Solutions Private Limited	Vasavi Medicare Solutions Private Limited	SVMED Solutions Private Limited	Chethana Pharma Private Limited	Millennium Medi- solutions Private Limited	Rada Medi- solutions Private Limited
Date since when subsidiary was acquired		15-May-19	20-May-19	29-May-19	31-May-19	12-Jun-19	06-Aug-19	07-Aug-19	21-Aug-19
Share Capital		1.00	0.10	1.00	0.10	0.10	3.00	0.10	0.10
Reserves & surplus		226.35	(31.74)	17.66	(15.78)	(5.84)	218.69	13.74	(18.08)
Total assets		553.01	349.51	132.46	321.99	344.42	548.29	594.92	208.37
Total liabilities		321.74	381.15	113.79	337.67	350.16	326.60	581.08	226.35
Investments		-	-	-	-	-	-	-	-
Turnover		2,120.69	1,150.05	521.34	1,076.05	927.02	2,118.39	2,033.85	724.01
Profit / (Loss) before tax		73.24	(21.39)	7.75	(10.27)	(20.54)	75.36	3.72	(7.30)
Provision for taxation		15.95	0.87	4.11	1.05	(1.42)	35.19	(1.14)	(0.57)
Profit or (Loss) After Tax for the year		57.28	(22.26)	3.64	(11.32)	(19.12)	40.17	4.86	(6.73)
Proposed Dividend		-	-	-	-	-	-	-	-
% of shareholding		100%	100%	100%	100%	100%	100%	100%	100%

Names		(Amounts in ₹ million)							
Particulars	Sesha Balajee Medi-solutions Private Limited	Barros Enterprises Private Limited	Ouromed Life-sciences Private Limited	Rimedio Pharma Private Limited	Chethana Pharma Distributors Private Limited	Sree Venkateshwara Medi-solutions Private Limited	CPD Pharma Private Limited	Calcutta Medi-solutions Private Limited	
Date since when subsidiary was acquired	13-Jan-20	02-Mar-20	26-Mar-2020*	26-Mar-2020*	08-Apr-2020*	06-Aug-20	14-Sep-20	01-Jan-21	
Share Capital	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
Reserves & surplus	18.80	56.43	(0.20)	(0.18)	(16.42)	(12.32)	(12.66)	(11.15)	
Total assets	305.08	193.84	0.04	0.04	9.12	103.08	28.33	70.09	
Total liabilities	286.18	137.31	0.14	0.12	25.44	115.30	40.89	81.14	
Investments	-	-	-	-	-	-	-	-	
Turnover	885.67	619.53	-	-	57.93	323.01	82.42	204.43	
Profit / (Loss) before tax	4.73	18.67	(0.05)	(0.02)	(5.30)	(4.82)	(7.52)	(4.02)	
Provision for taxation	0.97	4.83	-	-	-	-	(2.62)	1.51	
Profit or (Loss) After Tax for the year	3.77	13.83	(0.05)	(0.02)	(5.30)	(4.82)	(4.90)	(5.53)	
Proposed Dividend	-	-	-	-	-	-	-	-	
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	

AOC-1

Particulars	Names	(Amounts in ₹ million)							
		Curever Pharma Private Limited	Western Healthcare Solutions Private Limited	Atreja Healthcare Solutions Private Limited	City Pharma Distributors Private Limited	Zennx Software Solutions Private Limited	New Siva Agencies Private Limited	New RRPD Private Limited	Swami Medi- solutions Private Limited
Date since when subsidiary was acquired	19-Jan-2021*	01-Apr-21	14-Apr-21	14-Apr-21	14-Apr-21	09-Nov- 2021*	02-Dec-21	03-Dec-21	21-Dec-21
Share Capital	0.10	0.15	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Reserves & surplus	(383.66)	58.81	(10.43)	(15.44)	(0.09)	(8.52)	(13.69)	(12.27)	(12.27)
Total assets	55.72	373.32	64.63	56.36	0.08	95.35	91.41	102.50	102.50
Total liabilities	439.28	314.36	74.96	71.69	0.07	103.77	105.00	114.67	114.67
Investments	-	-	-	-	-	-	-	-	-
Turnover	26.23	1,285.68	214.85	106.67	-	312.20	275.10	189.23	189.23
Profit / (Loss) before tax	(53.26)	32.46	(5.14)	(5.83)	(0.03)	(7.92)	(8.99)	(8.74)	(8.74)
Provision for taxation	-	8.74	-	-	-	(0.69)	0.79	-	-
Profit or (Loss) After Tax for the year	(53.26)	23.71	(5.14)	(5.83)	(0.03)	(7.24)	(9.79)	(8.74)	(8.74)
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%

Particulars	Names	(Amounts in ₹ million)						
		Sri Parshva Pharma Distributors Private Limited	Sri Rama Pharmaceutical Distributors Private Limited	S.S. Pharma Traders Private Limited	SVS Life-sciences Private Limited	Saurashtra Medi-solutions Private Limited	Entero R.S. Enterprises Private Limited	Dhanvanthri Super Speciality Private Limited
Date since when subsidiary was acquired	01-Feb-22	01-Mar-22	03-Dec-21	21-Dec-21	01-Feb-22	08-May-23	11-Aug-23	
Share Capital	0.10	0.05	0.10	0.10	0.10	0.10	0.10	0.10
Reserves & surplus	0.27	(7.95)	33.89	(8.69)	(10.29)	27.09	16.32	16.32
Total assets	829.91	1424.84	529.73	155.57	189.31	391.77	694.76	694.76
Total liabilities	829.54	1432.73	474.80	164.17	199.50	364.59	678.34	678.34
Investments	-	-	-	-	-	-	-	-
Turnover	1,697.31	2,625.88	1,001.65	321.83	395.93	609.37	301.17	301.17
Profit / (Loss) before tax	(9.12)	(21.16)	31.75	(6.19)	(6.52)	36.06	21.86	21.86
Provision for taxation	(0.24)	0.35	9.10	0.49	0.01	8.97	5.53	5.53
Profit or (Loss) After Tax for the year	(8.88)	(21.50)	22.65	(6.68)	(6.53)	27.09	16.32	16.32
Proposed Dividend	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	80%

ANNEXURE-II**SECRETARIAL AUDIT REPORT
For the financial year ended on 31st March, 2024**

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

**To,
The Members,
Entero Healthcare Solutions Limited
(Formerly known as Entero Healthcare Solutions Private Limited)
Plot No. I-35, Building-B, Industrial Area, Phase-I,
13/7, Mathura Road, Faridabad-121003, Haryana.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"Entero Healthcare Solutions Limited"** (hereinafter called the **"Company"**). Secretarial Audit was conducted 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 **Entero Healthcare Solutions Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, 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 Bye-Laws framed there under;
- iv) The Foreign Exchange Management Act, 1999 to the extent of Overseas Direct Investment;
- 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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) 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.
- vi) As confirmed by the management, the following laws as being specifically applicable to Company based on the Sectors/ Industry are:
 - 1) Drugs and Cosmetics Act, 1940 and Rules framed thereunder;
 - 2) The Cosmetic Rules, 2020;
 - 3) Drugs (Prices Control) Order, 2013;
 - 4) The Food Safety and Standards Act, 2006 and regulations framed thereunder;

- 5) The Legal Metrology Act, 2009;
- 6) The Legal Metrology (Packaged Commodities) Rules, 2011;
- 7) National Pharmaceuticals Pricing Policy, 2012.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all Directors/members of the committee, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, 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.

In terms of the minutes of the Board and committee meetings, all the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the Company has

- i) Changed its name from "Entero Healthcare Solutions Private Limited" to "Entero Healthcare Solutions Limited" effective from 25th August, 2023.
- ii) Issued and Allotted 9,000(Nine Thousand) unlisted, secured, redeemable, non-convertible debentures each having a face value of ₹ 1,00,000(Rupees One Lakhs Only) and aggregating to a face value of ₹ 90,00,00,000(Rupees Ninety Crores Only).
- iii) Redeemed the 9,000(Nine Thousand) unlisted, secured, redeemable, non-convertible debentures each having a face value of ₹ 1,00,000(Rupees One Lakhs Only) and aggregating to a face value of ₹ 90,00,00,000(Rupees Ninety Crores Only).
- iv) Converted 1,19,55,359 Series A1, A2 and A4 Compulsorily Convertible Cumulative Preference Shares (CCPS) in to 1,19,55,359 equity shares.
- v) Issued and allotted 5,09,84,559 Series A5 Compulsorily Convertible Cumulative Preference Shares (CCPS).
- vi) Converted 7,02,64,3150 Series A1, A2, A3, A4 and A5 Compulsorily Convertible Cumulative Preference Shares (CCPS) in to 1,94,76,312 equity shares.
- vii) Issued and allotted 79,50,569 equity shares and Offer for Sale of 47,69,475 equity shares by the Selling Shareholder ("OFS") pursuant to the fresh offering in the initial public offer.
- viii) Listed on the National Stock Exchange of India Limited and BSE Limited on 16th February, 2024.

**FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES**

**CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN:-F005922F000487581
PR No:-1912/2022**

**Place: NEW DELHI
Date: 29th May, 2024**

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

ANNEXURE-A

**To,
The Members,
Entero Healthcare Solutions Limited
(Formerly known as Entero Healthcare Solutions Private Limited)
Plot No. I-35, Building-B, Industrial Area, Phase-I,
13/7, Mathura Road, Faridabad-121003, Haryana.**

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

1. Management 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, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES**

**CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN:-F005922F000487581
PR No:-1912/2022**

**Place: NEW DELHI
Date: 29th May, 2024**

ANNEXURE-III

REMUNERATION OF MANAGERIAL PERSONNEL

Information in terms 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 Directors and Key Managerial Personnel (KMP) for the financial year ended 31st March, 2024

Name	Designation	Ratio of Remuneration to the Median Remuneration of Employees	% Increase in Remuneration During FY 2023-24
Prabhat Agrawal	Managing Director and Chief Executive Officer	121.56	19%
Prem Sethi	Whole Time Director and Chief Operating Officer	65.93	15%
Jayant Prakash	Vice President-General Counsel, Company Secretary and Compliance Officer	17.64	21%
CV Ram	Group Chief Financial Officer	47.13	0%

Remuneration does not include perquisite value of ESOS.

b. Remuneration disclosures for Independent Directors for the financial year ended 31st March, 2024

Name	Designation	Sitting Fees
Sujesh Vasudevan*	Chairman – Non-Executive, Independent Director	₹ 7,50,000
Rajest Shashikant Dalal*	Non-Executive, Independent Director	₹ 7,00,000
Sandhya Gadkari Sharma*	Non-Executive, Independent Director	₹ 7,25,000

*Appointed as Independent Non-Executive Director w.e.f 25th August 2023

No remuneration is paid to Non-executive non Independent directors.

c. Other Disclosures

- The number of permanent employees on the rolls of the Company as on 31st March, 2024 was 476.
- The percentage increase in median remuneration of employees in the financial Year was -1.11.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
 - During FY 2023-24, the average percentage increase / (decrease) in salary of the Company's employees, excluding Managerial Personnel was 11%.
 - During FY 2023-24, the average percentage increase / (decrease) in salary of the Managerial Personnel was 17%.
 - The increase in remuneration of Managerial personnel is in line with the duties and responsibilities cast upon them and in line with increase in remuneration of other employees.
- It is affirmed that the Remuneration is as per the Remuneration policy for Directors, Key Managerial Personnel, and other employees adopted by the Company.

Notes:

- The aforesaid details are calculated on the basis of monthly cost to Company paid during the FY 2023-24.
- Remuneration paid/payable to Non-Executive Directors is based on the number of Board meetings attended by them.
- A permanent employee does not include contract employees, retainers and laborers.

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is prepared pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Transparency, professionalism, and accountability are the cornerstone of your Company’s Corporate Governance framework. By adhering to these principles, we aim to foster goodwill among all our stakeholders, including customers, employees, business partners, suppliers and shareholders. Furthermore, we recognise that maintaining high standards of Corporate Governance not only earns respect from society but also paves the way for consistent and sustainable growth for your company and its investors.

As an organisation, your Company is unwavering in its commitment to operate with the utmost ethics and integrity. Your Company continuously strives to adopt and implement the best practices of Corporate Governance, while consistently seeking opportunities to enhance these practices. In doing so, the efforts are focussed on two key principles: enhancing the effectiveness of your Board of Directors in providing strategic guidance to your Company, and enhancing the quality of information and communication with all stakeholders.

Your Company’s Corporate Governance practices fully comply with the norms prescribed under the SEBI Listing Regulations. Your Company diligently adheres to all the applicable provisions of these regulations, ensuring that the governance framework is in line with the highest standards of integrity and transparency.

GOVERNANCE POLICIES

Your Company is committed to conducting its business operations in a manner that is ethical, distinctive, and responsible.

To ensure the consistent implementation of these principles, your Company has adopted and established several Codes and Policies within the organisation. These Codes and Policies serve as guiding frameworks, enabling it to carry out all the functions in an ethical and responsible manner. Some of the Codes and Policies that have been adopted by the Company are as follows:

- a. Vigil Mechanism/ Whistle Blower Policy;
- b. Code for Prohibition of Insider Trading, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate,

Monitor and Report Trading by Insiders, Containing the Requisite Information as required under the Insider Trading Regulations;

- c. Code of Conduct for the Board of Directors and the Senior Management;
- d. Policy to Promote Diversity on the Board;
- e. Code of Conduct of Independent Directors;
- f. Policy for Determination of Material Subsidiaries, as per the SEBI Listing Regulations;
- g. Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions;
- h. Risk Management Policy;
- i. Policy for Determination of Materiality of Events/ Information as per the SEBI Listing Regulations;
- j. Nomination and Remuneration Policy;
- k. Policy on Preservation of Documents and archival of Document;
- l. Policy on Familiarisation Programmes for Independent Directors;
- m. Policy for Evaluation of Performance of Board of Directors;
- n. Policy on Dividend Distribution;
- o. Policy on Prevention of Sexual Harassment; and
- p. Plan for Orderly Succession for Appointment of Directors and Senior Management.

The above Code(s) and Policies are available on the website of your Company at www.enterohealthcare.com as per applicable provisions.

CODE OF CONDUCT

Your Company has adopted the Code of Conduct (‘Code’) for its Board of Directors, KMP, and Senior Management as per SEBI Listing Regulations. The Code can be accessed at your Company’s website at www.enterohealthcare.com.

Your Company has received confirmations from all its Directors, KMP, and Senior Management regarding their compliance with the Code. Annexure 1, attached to this report, contains a declaration signed by Mr. Prabhat Agrawal, Managing Director and Chief Executive Officer, confirming the compliance.

Your Company is committed to upholding the highest ethical standards and promoting transparency and accountability.

BOARD OF DIRECTORS

Your Company believes that an active, well-informed, and independent Board is essential to uphold the highest standards of Corporate Governance. As a professionally managed company, the Company operates with a dedicated Board of Directors supported by the Managing Director and Chief Executive Officer, Whole-time Director and COO, Key Managerial Personnel, and Senior Management Personnel. Together, they diligently discharge their fiduciary duties to ensure the best interests of all stakeholders.

The Board of Directors of your Company consists of professionals from diverse backgrounds with skills, experience, and expertise in the areas like leadership and general management, technology, strategic planning, finance and accounts etc. The brief profile of the Directors is available on the website of the Company at www.enterohealthcare.com. The Board provides strategic guidance and oversight to the Executive Management, ensuring that they serve and protect the long-term interests of all valued stakeholders. Your Company is committed to achieve compliance with all relevant laws, regulations, governance practices, as well as secretarial, accounting, and auditing standards. Additionally, the Board proactively identifies key risk areas and monitors essential performance indicators to ensure the sustained success of its business.

SIZE AND COMPOSITION OF THE BOARD

The size and composition of the Board of Directors of the Company comply with the Corporate Governance norms as stipulated under the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ("Act").

As on 31st March, 2024, the Board consisted of 8 (eight) members, comprising the following:

One (1) Non-Executive and Independent Director serving as Chairman.

One (1) Non-Executive Independent Woman Director.

One (1) Non-Executive Independent Director.

Three (3) Non-Executive Directors, (out of which two (2) Nominee Directors being representative of Orbimed Asia III Mauritius Limited and one (1) Nominee Director being representative of Prasad Uno Family Trust).

Two (2) Executive Directors who are also Promoters of the Company.

In line with corporate governance principles, all the Committees of the Board, except Risk Management Committee, are led by Independent Directors.

Table A: Category of Directors, number of other Directorships and Chairpersonships/Memberships of Committees and Shareholding of each Director in the Company:

Name of the Director & DIN (During FY 2023-24)	Designation & Category	No. of Directorship in other Public Companies	No. of Board Committee positions in other Public Companies	Name of the other Listed Entities wherein our Directors are a Director and Category of such Directorship as on 31st March, 2024	No. of shares held in the Company as on 31st March, 2024
Sujesh Vasudevan (DIN: 08240092)	Non-Executive Independent Director cum Chairman of the Board	2	2	1. Eris Lifesciences Limited – Independent Director	0
Rajesh Shashikant Dalal (DIN: 03504969)	Non-Executive Independent Director	2	1	NIL	396
Sandhya Gadkari Sharma (DIN: 02005378)	Non-Executive Independent Director	2	1	1. ICICI Home Finance Company Limited * – Independent Director	
		0		2. Magma HDI General Insurance Company Limited * – Non-Executive Independent Director	
Prabhat Agrawal (DIN: 07466382)	Managing Director and Chief Executive Officer	0	0	0	40,28,395

Name of the Director & DIN (During FY 2023-24)	Designation & Category	No. of Directorship in other Public Companies	No. of Board Committee positions in other Public Companies	Name of the other Listed Entities wherein our Directors are a Director and Category of such Directorship as on 31st March, 2024	No. of shares held in the Company as on 31st March, 2024
Prem Sethi (DIN: 07077034)	Whole-time Director and Chief Operating Officer	0	0	0	22,39,842
Sumona Chakraborty (DIN: 09597426)	Non-Executive Non-Independent (Nominee) Director	0	0	0	0
Arun Sadhanandham (DIN: 08445197)	Non-Executive Non-Independent (Nominee) Director	0	0	0	0
Vipul Indravadan Desai (DIN: 08350894)	Non-Executive Non-Independent (Nominee) Director	0	0	0	0
Dr. Sunny Sharma (DIN: 02267273)	Non-Executive Non-Independent (Nominee) Director	2**	2	1. Advanced Enzyme Technologies Limited - Director 2. Marksans Pharma Limited - Director	0

Notes:

- Includes Directorships in Indian Public Companies (whether listed or not) excluding Entero Healthcare Solutions Limited ("ENTERO"), Section 8 Companies and alternate directorships.
- Includes only Audit Committee and Stakeholders' Relationship Committee in all Indian Public companies (whether listed or not) excluding ENTERO and Section 8 Companies.
- Dr. Sunny Sharma ceased to be a Director w.e.f. 23rd August, 2023, due to his resignation. The details presented in the table are based on the information available as of the date of cessation.
- Ms. Sumona Chakraborty was appointed as Non-Executive Director w.e.f. 24th August, 2023.
- Mr. Arun Sadhanandham, was redesignated from Non-Executive Director to Non-Executive Nominee Director of the Company w.e.f. 25th August, 2023.
- Mr. Vipul Indravadan Desai, was redesignated from Non-Executive Director to Non-Executive Nominee Director of the Company w.e.f. 25th August, 2023.
- Mr. Sujesh Vasudevan was appointed as Non-Executive Independent Director w.e.f. 25th August, 2023 for a period of 3 years.

- Mr. Rajesh Shashikant Dalal was appointed as Non-Executive Independent Director w.e.f. 25th August, 2023 for a period of 3 years.
- Mrs. Sandhya Gadkari Sharma was appointed as Non-Executive Independent Director w.e.f. 25th August, 2023 for a period of 3 years.
- Mr. Prabhat Agrawal, was redesignated from Director to Managing Director and Chief Executive Officer of the company w.e.f. 26th August, 2023 for a period of 5 years.
- Mr. Prem Sethi, was redesignated from Director to Whole-time Director and Chief Operating Officer of the company w.e.f. 26th August, 2023 for a period of 5 years.
- Ms. Sumona Chakraborty, retires by rotation in the ensuing AGM and she, being eligible, has offered herself for re-appointment.
- Mr. Vipul Indravadan Desai ceased to be a Director w.e.f. 29th May, 2024, due to his resignation.

* ICICI Home Finance Company Limited and Magma HDI General Insurance Company Limited are debt listed companies.

** Excluding Uquifa Sciences (Mascarene) Limited, Mauritius and Uquifa Sciences S.L. (formerly Vivimed Labs Spain S.L.), Spain.

BOARD'S INDEPENDENCE

The Board of your Company comprises the optimum number of Independent Directors as per the applicable laws and regulations. In the opinion of the Board and based on the declarations received, all the Non-Executive Independent Directors fulfill the conditions under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and that they are independent of the management.

Pursuant to Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstances or situations that could impair or impact their ability to discharge their duties.

The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors including their roles, responsibilities and duties are available at the website of your Company at www.enterohealthcare.com.

BOARD MEETINGS

BOARD SUPPORT

The Company Secretary and Compliance Officer is entrusted with crucial responsibilities, including the collation, review, and distribution of all documents submitted to the Board and its Committees for consideration. He works closely with the Managing Director and Chief Executive Officer, and the Chairman of your Company to prepare the meeting agenda and ensure the smooth functioning of Board and Committee meetings.

The Company Secretary and Compliance Officer attend all meetings of the Board and its Committees, offering valuable advice and assurance to the Board regarding compliance matters and governance principles.

RECORDING MINUTES OF PROCEEDINGS OF BOARD AND COMMITTEE MEETINGS

The Company Secretary and Compliance Officer plays a vital role in ensuring the accurate recording of minutes of proceedings during each meeting of the Board and its Committees. He adheres to the relevant provisions of the Act, coupled with the Secretarial Standards issued by the Institute of Company Secretaries of India, to ensure proper documentation and compliance.

POST MEETING FOLLOW-UP MECHANISM

The guidelines for Board and Committee meetings facilitate an effective post-meeting follow-up, review, and reporting process for decisions made by the Board and its Committees thereof.

The guidelines ensure that important decisions taken at Board and Committee meetings are promptly communicated to the

relevant departments within the organisation. This ensures that the necessary actions are taken in a timely manner to implement these decisions.

Furthermore, an action-taken report, if applicable, along with the minutes of the previous meeting(s), is presented at subsequent meetings of the Board and Committees. This allows for a comprehensive review of the progress made on the decisions taken and provides an opportunity for further suggestions and inputs from the Board and Committee members.

SCHEDULING OF BOARD MEETINGS

The schedule of Board Meetings for each financial year is planned well in advance and communicated to all Members of the Board. As per the governance practices, the Board meets at least once a quarter to review the quarterly, half-yearly, and annual financial results, as well as other pertinent agenda items. Additional meetings are convened as and when required to address specific matters of importance. The Committees of the Board usually meet on the day of the formal Board meeting, or whenever the need arises for transacting respective business. The recommendations of the Committees are presented to the Board for updates and necessary approvals, as required by our governance framework. The Chairperson(s) of the respective Committees provide a comprehensive briefing to the Board, highlighting the discussions and outcomes of the Committee meetings.

SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS

The information, as required under Regulation 17(7) read with Schedule II, Part A of the SEBI Listing Regulations and applicable provisions of the Act, is made available to the Board as part of agenda.

The Board meetings are conducted at the Corporate Office located at Mumbai, ensuring convenient access for all Board Members.

NO. OF BOARD MEETINGS

Your Company floated an Initial Public Offering (IPO) of its Equity Shares during FY 2023-24. To address matters related to the IPO process and various other important decisions, a total of twenty-six (26) Board Meetings were held. These meetings took place on the following dates: 06.04.2023, 14.04.2023, 13.06.2023, 30.06.2023, 03.07.2023, 12.07.2023, 17.07.2023, 28.07.2023, 31.07.2023, 02.08.2023, 03.08.2023, 22.08.2023, 24.08.2023, 25.08.2023, 26.08.2023, 06.09.2023, 07.09.2023, 27.10.2023, 11.12.2023, 21.01.2024, 27.01.2024, 05.02.2024, 05.02.2024, 13.02.2024, 14.02.2024, 08.03.2024. The time gap between any two Board meetings during the year did not exceed one hundred and twenty (120) days. Additionally, the requisite quorum was present for all meetings, ensuring effective decision-making.

Table B: Attendance of Directors at Board Meetings during FY 2023-24 and last Annual General Meeting (AGM) is as under:

Sr. No.	Name of the Director	Attendance in FY 2023-24	
		Board Meetings attended and held during tenure	Last AGM held on 7th August, 2023
1	Sujesh Vasudevan (Chairman, Non-Executive Independent Director)	11/12	NA
2	Rajesh Shashikant Dalal (Non-Executive Independent Director)	11/12	NA
3	Sandhya Gadkari Sharma (Non-Executive Independent Director)	12/12	NA
4	Prabhat Agrawal (Managing Director and Chief Executive Officer)	26/26	Yes
5	Prem Sethi (Whole-time Director and Chief Operating Officer)	26/26	Yes
6	Sumona Chakraborty, Non-Executive Non-Independent (Nominee Director)	12/13	NA
7	Arun Sadhanandham, Non-Executive Non-Independent (Nominee) Director	26/26	Yes
8	Vipul Indravadan Desai, Non-Executive Non-Independent (Nominee) Director	24/26	Yes
9	Dr. Sunny Sharma, Non-Executive Non-Independent (Nominee) Director	10/12	No

Notes -

**Dr. Sunny Sharma ceased to be a Director w.e.f. 23rd August, 2023, due to resignation.*

INTER-SE RELATIONSHIP AMONG DIRECTORS

The directors of your Company are not related to each other in anyway, except Mr. Arun Sadhanandham and Ms. Sumona Chakraborty, who are associated with Orbimed Asia III Mauritius Limited.

SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee of the Board ("NRC") plays a vital role in formulating and recommending to the Board the necessary qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole, as well as its individual members. The objective is to ensure that the Board comprises individuals with diverse backgrounds and experience in key areas such as business leadership, strategy, operations, technology, finance & accounts, governance, and government/regulatory affairs.

The NRC focuses on creating a well-rounded and effective Board by assessing the desired skills and expertise needed to drive your Company's growth and success. This approach

helps to maintain a balanced and competent Board that can provide strategic guidance and oversight in a dynamic business environment. Furthermore, the Policy for appointment and removal of Directors and determining Directors' independence is available on the website of your Company at www.enterohealthcare.com. This policy outlines the framework and criteria used to evaluate potential Directors and assess their independence, ensuring that the highest standards of corporate governance are upheld.

KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

The Members of the Board are committed towards ensuring that the Board is in compliance with the highest standards of Corporate Governance. The Board of your Company consists of eminent individuals from diverse backgrounds with skills, experience, and expertise in various areas. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending the appointment of Directors to the Board.

Table C: Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions for the period 1st April, 2023 to 31st March, 2024

Name of the Director	Areas of Skill/ Expertise/ Competence						
	Leadership	Strategy	Operations	Technology	Finance & Accounts	Governance	Government/ Regulatory Affairs
Sujesh Vasudevan	✓	✓	✓		✓	✓	✓
Rajesh Shashikant Dalal	✓	✓	✓	✓	✓		
Sandhya Gadkari Sharma	✓	✓			✓	✓	
Prabhat Agrawal	✓	✓	✓	✓	✓	✓	✓
Prem Sethi	✓	✓	✓	✓		✓	✓
Sumona Chakraborty	✓	✓	✓		✓	✓	
Arun Sadhanandham	✓	✓	✓		✓	✓	
Vipul Indravadan Desai	✓	✓	✓	✓	✓	✓	
Dr. Sunny Sharma *	✓	✓	✓		✓	✓	

Notes -

* Dr. Sunny Sharma ceased to be a Director w.e.f. 23rd August, 2023, due to resignation.

FAMILIARISATION PROGRAMME FOR DIRECTORS (INCLUDING INDEPENDENT DIRECTORS)

As part of the best practices, all new Directors, including Independent Directors, who join the Board, undergo a formal orientation program. This program aims to provide them with a comprehensive understanding of your Company, its operations, markets, group structure and its governance structure as well.

The details of the familiarisation programme imparted to the Independent Directors are available on the weblink of your Company at <https://www.enterohealthcare.com/uat/investor/corporate-governance/independent-directors.php>.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV of the Act read with Regulation 25 of the SEBI Listing Regulations, the Independent Directors convened separate meeting on 2nd December, 2023 and on 22nd March 2024. These meetings were conducted without the presence of Non-Independent Directors and members of the management.

During these sessions, the Independent Directors assessed and reviewed the following:

- the quality, quantity, and timeliness of the flow of information between the management and the Board. This evaluation aimed to ensure that the Board receives the necessary information to perform their duties effectively and reasonably.
- performance of Non-Independent Directors, Committees and Board as a whole.
- performance of the Chairman of the Company, taking into account the views of Non-Executive and Executive Directors.

SUCCESSION PLANNING

Your Company has a mechanism for succession planning which focuses on succession of Directors, Key Managerial Personnel and other Senior Management Personnel. The NRC implements this mechanism in concurrence with the Board.

COMMITTEES & ITS MEETINGS

During FY 2023-24, the Board has 5 (five) Committees, namely:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Risk Management Committee;
- IPO Committee;
- Committee of Independent Directors (for the purpose of IPO)

The internal guidelines of your Company for Board & Committee meetings facilitate the decision-making process at its meetings in an informed and efficient manner.

AUDIT COMMITTEE ("AC")

The primary objective of the Audit Committee is to monitor and provide strategic guidance to the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Audit Committee oversees the work carried out in the financial reporting process by the management, the Internal Auditors, the Statutory Auditors, the Secretarial Auditors and take note of the processes and safeguards deployed by each of them.

Extract of the terms of reference of the Audit Committee include the following:

- Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee payable to such auditors;
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Evaluation of internal financial controls and risk management systems;

- Reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
- Carrying out any other functions as provided under the provisions of the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required/ mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The terms of reference of this Committee are available on the website of the Company at www.enterohealthcare.com.

During FY 2023-24, three (3) meetings of the Committee were held, i.e. on 07.09.2023, 21.01.2024 and 08.03.2024.

Table D: The composition of the Audit Committee and the attendance details of the members during FY 2023-24 is given below:

Name of the Member	Category	No. of meetings held during the year	No. of Meetings attended
Ms. Sandhya Gadkari Sharma	Non-Executive Independent Director (Chairperson)	3	3
Mr. Sujesh Vasudevan	Non-Executive Independent Director (Member)	3	2
Mr. Rajesh Shashikant Dalal	Non-Executive Independent Director (Member)	3	3
Mr. Prabhat Agrawal	Managing Director and Chief Executive Officer (Member)	3	3

The Audit Committee was constituted by our Board pursuant to a resolution dated 25th August, 2023. The terms of reference of the Audit Committee were approved by our Board pursuant to a resolution dated 25th August, 2023.

The Company Secretary and Compliance Officer acts as the Secretary to the Committee

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken with requisite majority. The Internal Auditor reports functionally to the Committee.

The Executive Directors, the Chief Financial Officer of your Company and representatives of Statutory Auditors of the Company and Internal Auditor, as considered appropriate, attended the meetings as invitees. The Committee provides an opportunity for internal and external auditors to meet privately with the members of the Committee, without the presence of management.

During the year, the Committee discussed with the Company's internal auditor and statutory auditor, the scope and plans for respective audits, the results of their reports, their evaluation of your Company's internal controls, and overall quality of its

financial reporting. The Committee reviewed and discussed your Company's quarterly and annual financial statements with the management and the statutory auditors, it also considered and recommended to the Board for its approval various policies, revised and/or adopted, by the Company. During the year, all the recommendations made by the Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE ("NRC")

The purpose of the NRC is to oversee nomination process including succession planning for the Senior Management Personnel & the Board of your Company and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors, Independent Directors, Key Management Personnel and Senior Management Personnel as per the criteria set by the Board in its Policy. The NRC and the Board periodically review the succession planning process of your Company and are satisfied that it has adequate process for orderly succession of the members of the Board, Key Management Personnel and Senior Management Personnel.

The NRC also assists the Board in discharging its responsibilities relating to compensation of Executive Directors, Non-Executive Directors, Key Management Personnel and Senior Management Personnel of your Company. The NRC has the overall responsibility of approving and evaluating the Compensation Plans, Entero Employees Stock Option (ESOP) Plans, Policies and Programmes for Executive Directors, Key Management Personnel and the Senior Management Personnel.

Extract of the terms of reference of the NRC includes the following:

- a. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management and other employees;
- b. Formulating criteria for evaluation of performance of independent directors and the Board;
- c. Devising a policy on diversity of Board;
- d. 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 their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

- e. Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- f. Performing such other functions as may be necessary or appropriate for the performance of its duties as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The terms of reference of NRC are available on the website of your Company at www.enterohealthcare.com.

During FY 2023-24, three (3) meetings of the Committee were held on 25.08.2023, 07.09.2023, 02.12.2023.

Table E: The composition of the NRC Committee and the attendance details of the members during FY 2023-24 are given below:

Name of the Member	Category	No. of meetings held during the year	No. of Meetings attended
Mr. Rajesh Shashikant Dalal	Non-Executive, Independent Director (Chairperson)	3	3
Mr. Sujesh Vasudevan	Non-Executive, Independent Director (Member)	3	3
Mr. Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director (Member)	3	3

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution dated 25th August, 2023. The terms of reference of the Nomination and Remuneration Committee were approved by our Board pursuant to a resolution dated 25th August, 2023.

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken with requisite majority.

The Committee also considered and recommended appointment/change in terms of appointment of Directors, remuneration payable to the Senior Management Personnel for FY 2023-24, grant of ESOPs and other updates. During the year, all the recommendations made by the NRC were accepted by the Board.

PERFORMANCE EVALUATION OF THE BOARD AND ITS CRITERIA

The NRC has formulated a Policy and laid down the format, attributes, criteria and questionnaires, for the performance evaluation of the Board, its Committees and Individual Directors keeping in view the Board priorities and best practices.

Your Company got listed on 16th February, 2024 on Stock Exchanges in India and the performance evaluation of the Board, its Committees and Individual Directors for FY 2023-24 was carried out and the results of the same were shared with the Chairman of the Board.

Performance of the entire Board was evaluated after seeking inputs from all the Directors on the basis of criteria and parameters such as discharge of roles and responsibilities, appropriateness of Board size and composition, Board diversity, understanding of operational programmes, effectiveness of Board processes, information and functioning, etc. Independent Directors also carried out evaluation of the entire Board's performance.

PERFORMANCE EVALUATION OF THE COMMITTEES

The performance of the Board Committees were evaluated by the Board after seeking inputs from all the Board members including Committee members on the basis of criteria such as appropriateness of Committee composition, its role and responsibilities, terms of reference of Committees, effective performance of the Committee vis-a-vis assigned role, participation of the members of the Committee in the meetings, etc.

PERFORMANCE EVALUATION OF THE CHAIRMAN

Performance of the Chairman was evaluated by all the Directors and separately by Independent Directors after considering the views of Executive and Non-Executive Directors on parameters such as external insights into future functioning of the Company, updates with the latest developments, representing concerns of Independent Directors to executive management and overall assessment of the Chairman.

PERFORMANCE EVALUATION OF INDIVIDUAL DIRECTOR

All Directors (including Independent Directors) were also evaluated individually by other Directors (except the Director himself being evaluated) on parameters such as participation and contribution by a Director, his/ her attendance at Board meetings and preparedness for Board meetings, quality of contribution at Board meetings, contribution to the development of the Company and general compliance framework and corporate governance of the Company, effective deployment of knowledge and expertise. Performance evaluation of Non-Independent Directors was carried out by Independent Directors.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The performance evaluation of all the independent directors was done by the entire Board of Directors (excluding the director

being evaluated). The criteria to evaluate the performance of Independent Directors are their Independence from Management, Independency and Objectivity in decision making and representing the interest of all stakeholders, fulfilment of the independence criteria as specified in the SEBI Listing Regulations, contribution to Board Discussions, Industry knowledge and expertise, Board and Committee meeting participation.

The outcome of the evaluation was submitted to the Chairman of the Company. The Chairman then briefed the Board on the results of the performance evaluation. The Directors engaged in meaningful discussions and expressed their satisfaction with the entire evaluation process.

METHODOLOGY

For annual performance evaluation of the Board as a whole, its Committee(s) and Individual Directors including the Chairman of the Board, the Company followed the methodology of a confidential survey basis an objective & subjective questionnaire.

The recommendations received at a consolidated level were discussed with the Board and individual feedback was provided to the respective Directors. Progress on recommendations from last year and the current year's recommendations were discussed.

REMUNERATION POLICY FOR BOARD, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

On the recommendation of the NRC, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel of your Company. The same is available on the website of your Company at www.enterohealthcare.com.

Table F: Remuneration paid to Directors during FY 2023-24

Name of Directors	Fixed Salary		Bonus	Commission	Sitting Fees	Others*	Total Compensation
	Basic	Allowances					
Mr. Sujesh Vasudevan	-	-	-	-	7,00,000	-	7,00,000
Mr. Rajesh Shashikant Dalal	-	-	-	-	7,50,000	-	7,50,000
Mr. Sandhya Gadkari Sharma	-	-	-	-	7,25,000	-	7,25,000
Mr. Prabhat Agrawal	1,58,12,508	1,57,69,296	91,16,597	-	-	21,600	4,07,20,001
Mr. Prem Sethi	86,25,000	85,81,800	50,00,000	-	-	21,600	2,22,28,400
Ms. Sumona Chakraborty	-	-	-	-	-	-	-
Mr. Arun Sadhanandham	-	-	-	-	-	-	-
Mr. Vipul Indravadan Desai	-	-	-	-	-	-	-
Dr. Sunny Sharma *	-	-	-	-	-	-	-

*for Executive Directors, it includes other perquisites and Annual Performance Incentives (API).

During FY 2023-24, your Company did not have any pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. The annual remuneration paid to a single Non-Executive Director did not exceed fifty per cent of the total annual remuneration paid to all the Non-Executive Directors of your Company.

The annual remuneration of Mr. Prabhat Agrawal, Managing Director and Chief Executive Officer, Mr. Prem Sethi, Whole-time Director and Chief Operating Officer, comprises of fixed salary, performance related pay and additional benefits components. The terms of severance, notice period and termination for the Executive Directors of the Company will be governed by terms and conditions of the service agreements entered with the Company. Further, no notice period or severance fee is paid to any other Director.

The criteria for making payments to Non-Executive Directors is available on Company's website and can be accessed at www.enterohealthcare.com. Further, the annual remuneration of Mr. Sujesh Vasudevan, Mr. Rajesh Shashikant Dalal and Ms. Sandhya Gadkari Sharma, Non-Executive Independent Directors comprised of sitting fees ₹ 50,000/- per Board meeting and ₹ 25,000/- per Committee meeting attended by them.

STAKEHOLDERS' RELATIONSHIP COMMITTEE ("SRC")

The purpose of the Stakeholders Relationship Committee ('SRC') is to consider the grievances of shareholders and other security holders of your Company, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests, issue of new / duplicate certificates, general meetings and such other grievances as may be raised by the security holders from time-to-time.

Extract of the terms of reference of SRC includes the following:

- a. Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;

- b. Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- c. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- d. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- e. Review of measures taken for effective exercise of voting rights by shareholders;
- f. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
- g. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- h. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act, 2013 or other applicable law.

The terms of reference of this Committee are available on the website of your Company at www.enterohealthcare.com.

During FY 2023-24, one(1) meeting of the Committee was held on 8th March, 2024.

Table G: The composition of the SRC and the attendance details of the members during FY 2023-24 are given below:

Name of the Member	Category	No. of meetings held during the year	No. of Meetings attended
Mr. Rajesh Shashikant Dalal	Non-Executive, Independent Director (Chairperson)	1	1
Mr. Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director (Member)	1	1
Mr. Prem Sethi	Whole-Time Director and Chief Operating Officer (Member)	1	1

The Stakeholders' Relationship Committee was constituted by our Board pursuant to a resolution dated 25th August, 2023. The terms of reference of the Stakeholders' Relationship Committee were approved by our Board pursuant to a resolution dated 25th August, 2023.

Mr. Jayant Prakash, the Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The requisite quorum was present in all the said meetings. All the decisions at Committee meetings were taken with requisite majority. During the year, the Committee considered and reviewed the shareholders /Investor Grievances received by your Company.

Statement of shareholders' complaint during FY 2023-24:

Number of shareholders' complaints received during the financial year	37
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0

RISK MANAGEMENT COMMITTEE ("RMC")

The purpose of the RMC is to frame, implement and monitor the risk management policy of your Company. The Committee assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management.

Extract of the terms of reference of the RMC includes the following:

- a. To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:
 - (i) A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
 - (ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - (iii) Business continuity plan.
- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- g. To implement and monitor policies and/or processes for ensuring cyber security;
- h. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

The terms of reference of this Committee are available on the website of your Company at www.enterohealthcare.com.

During FY 2023-24, one(1) meeting of the Committee was held on 8th March, 2024.

Table H: The composition of the RMC and the attendance details of the members during FY 2023-24 are given below:

Name of Member	Category	No. of meetings held during the year	No. of meetings attended
Mr. Prabhat Agrawal	Managing Director and Chief Executive Officer (Chairperson)	1	1
Mr. Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director (Member)	1	1
Ms. Sandhya Gadkari Sharma	Non-Executive, Independent Director (Member)	1	1
Mr. CV Ram	Group Chief Financial Officer (Member)	1	1
Mr. Jayant Prakash	Vice President - General Counsel, Company Secretary and Compliance Officer (Member and Secretary)	1	1

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

The requisite quorum was present in all of the said meetings. All the decisions at Committee meeting were taken with requisite majority.

During the year, the Committee considered and recommended the Risks and Mitigation plan thereof. During the year, all the recommendations made by the RMC were accepted by the Board.

IPO COMMITTEE

The purpose of the IPO Committee of the Board was to oversee and facilitate the process of the IPO of its Equity Shares. The Committee was authorised to approve and decide upon all activities in connection with the IPO, including, but not limited to, approve the Draft Red Herring Prospectus, to decide the terms and conditions of the IPO, to appoint various intermediaries, negotiating and executing Offer related agreements and to

submit applications and documents to relevant statutory and other authorities from time to time.

Consequent upon the completion of IPO and listing of the shares of the Company, the IPO Committee stands dissolved w.e.f. 8th March, 2024.

During FY 2023-24, three (3) meetings of the Committee were held on 13.09.2023, 31.01.2024, 08.02.2024.

Table I: The composition of the IPO Committee and the attendance details of the members up to 8th March, 2024 was as below:

Name of Member	Category	No. of Meetings Held During the Year	No. of Meetings Attended
Mr. Prabhat Agrawal	Managing Director and Chief Executive Officer (Chairperson)	3	3
Mr. Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director (Member)	3	3
Mr. Vipul Indravadan Desai	Non-Executive, Non-Independent (Nominee) Director (Member)	3	3

The IPO Committee was constituted by our Board pursuant to a resolution dated 25th August, 2023. The terms of reference of the IPO Committee were approved by our Board pursuant to a resolution dated 25th August, 2023.

The Company Secretary and Compliance Officer acted as the Secretary to the Committee.

The requisite quorum was present in all of the said meetings. All the decisions at such Committee meetings were taken with requisite majority.

COMMITTEE OF INDEPENDENT DIRECTORS (FOR THE PURPOSE OF IPO)

As required under the applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, a Committee of Independent Directors, comprising of all 3 independent directors was constituted during FY 2023-24, for the purpose of recommending the Issue Price. The Committee met once during the year. Consequent upon the completion of IPO and listing of the shares of the Company, the said Committee stands dissolved w.e.f. 8th March, 2024.

Table J: Location and time, where last three AGMs were held:

FY Ended	Date	Time	Venue	Special Resolutions Passed
2022-23	07.08.2023	11.00 am	605/606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra East, Mumbai – 400051	1. Conversion of Company from Private Limited to Public Limited Company 2. Adoption of new set of Articles of Association
2021-22	31.12.2022	05.00 pm	605/606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra East, Mumbai – 400051	—
2020-21	31.12.2021	5.00 pm	605/606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra East, Mumbai – 400051	1. To create, issue and offer of 4,60,00,000 Compulsorily Convertible Cumulative Preference Shares (CCPS) of Series A1, A2, A3 and A4 of the Company on rights basis

Table K: Senior Management:

The details of Senior Management Personnel of the Company as at 31st March, 2024 are as follows:

Sr. No.	Name	Designation & Role
1.	Mr. Sambit Mohanty	President -Institutional Business
2.	Mr. Shaswat Nigam	Vice President -Head Retail Pharma Business

During the year, there were no changes in the Senior Management Personnel.

POSTAL BALLOT

During the FY24, neither any business was transacted through postal ballot nor any business is proposed to be transacted through postal ballot at the ensuing AGM.

MEANS OF COMMUNICATION

Your Company believes that the prompt and timely communication of information to the shareholders reflects the transparency and good corporate governance practice of an organisation. Your Company has taken below steps in this regard:

(a) Financial Results and newspaper publication:

The quarterly, half-yearly and annual financial results are regularly submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where shares of the Company are listed. The financial results are generally published in Financial Express (English Newspaper) and Satyajay Times (Hindi-Regional newspaper) and simultaneously uploaded on the Company's website.

(b) Website:

Your Company has an active website i.e. www.enterohealthcare.com and has a separate section for investors on the website. The said section keeps investors updated on the key and material developments of the Company by providing timely information like brief profile of the Company, Board structure and Committees of the Board, press release, financial results, presentations made to institutional investors or analysts, annual reports, shareholding pattern, codes and policies, stock exchange filings, etc. It also displays official news releases.

(c) Institutional Investors/Analyst Meets:

Your Company holds meetings with the Institutional analyst /investor, post disclosure of financial results in each quarter. The detailed schedule of such meet and presentation made before them are disseminated to the stock exchanges and also uploaded on the Company's website at www.enterohealthcare.com. The audio recordings and transcripts of Earnings Call are also available on the Company's website.

GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting 2024:

Table L:

Day & Date	Wednesday, 28th August, 2024
Time	11:30 AM
Venue	At Plot No. I-35, Building -B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad, Haryana- 121003 (Through Video Conferencing)
Financial Year	FY 2023-24
Dividend Payment Date	Not Applicable

(b) Listing on Stock Exchanges:

The Equity Shares of your Company are listed on the BSE and NSE w.e.f. 16th February, 2024. The annual listing fees for the FY 2023-24 have been paid to the respective stock exchanges.

Table M: ISIN and Stock Code details

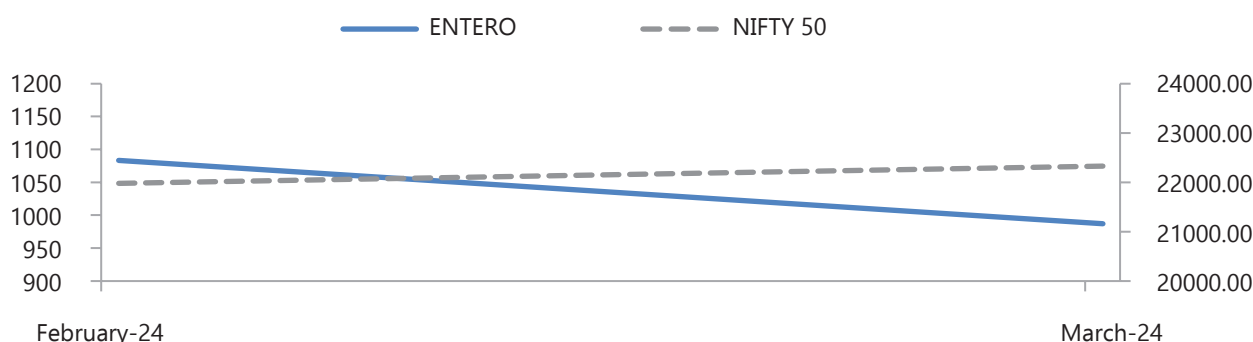
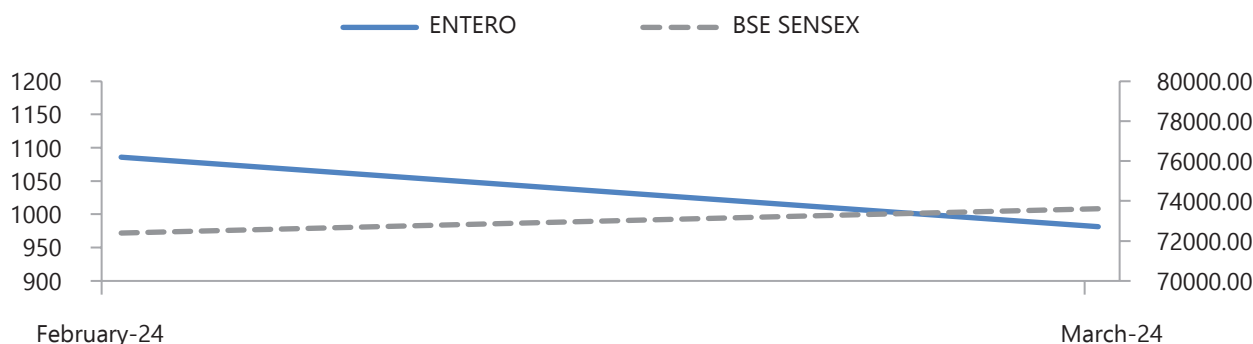
Stock Exchanges	ISIN	Stock Code
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Maharashtra, India	INE010601016	544122
National Stock Exchange of India Limited ('NSE') Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400051, Maharashtra, India	INE010601016	ENTERO

(c) Market Price Data:

Table N: Market price data of the Shares of your Company i.e. high, low during each month in FY 2023-24 on BSE and NSE

Month	BSE		NSE	
FY 2023-24	High (₹)	Low (₹)	High (₹)	Low (₹)
Feb	1,258.00	1,001.60	1,258.00	1,002.35
March	1,126.00	974.45	1,125.95	970

Above information is considered from the date of Listing of the Company's equity shares viz. 16th February, 2024. (Source: The above information is compiled from the data available on the websites of BSE and NSE)

(d) Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty during the FY 2023-24:**(e) In case the securities are suspended from trading, the directors report shall explain the reason thereof:**

No Securities of your Company were suspended from trading during the financial year 2023-24.

(f) Registrar & Share Transfer Agent

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai - 400083
Tel: +91 8108116767
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

(g) Share Transfer System:

Pursuant to Regulation 40 of Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. In order to simplify the process of securities trading for investors, SEBI vide its circular dated 25th January, 2022, has made it mandatory for listed companies to issue securities in dematerialised form only while processing service requests such as issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Shareholders are accordingly advised to avail the facility of dematerialisation holding shares in physical form by getting in touch with any Depository Participant having registration with SEBI.

Equity Shares in physical form are processed by the RTA viz. Link Intime India Private Limited. The requests received by the Company/ RTA for dematerialisation/ rematerialisation are disposed off expeditiously. During the year under review, no request of rematerialisation has been received. Your Company obtained, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names were issued as required under Regulation 40(9) of the Listing Regulations and were duly filed with the Stock Exchanges.

(h) Dematerialisation shares and liquidity

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/traded only in dematerialised form. As on 31st March, 2024, 100% of shareholding was held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number ('ISIN') allotted to the Fully paid-up under the Depository System is INE010601016.

Mode of holding	No. of Shares	% of Share Capital
Physical Segment	0	0
Demat Segment:		
NSDL (A)	1,16,61,035	26.81
CDSL (B)	3,18,32,732	73.19
Total (A + B)	4,34,93,767	100
Total	4,34,93,767	100

Distribution of Shareholding by size as on 31st March, 2024*

Sr. No.	Shareholding	Number of Shareholders	% of Total Shareholders	Total shares	% of Total Share Capital
1	1 to 500	80831	99.6904	1361396	3.1301
2	501 to 1000	125	0.1542	96510	0.2219
3	1001 to 2000	24	0.0296	36243	0.0833
4	2001 to 3000	20	0.0247	46236	0.1063
5	3001 to 4000	6	0.0074	21488	0.0494
6	4001 to 5000	10	0.0123	46619	0.1072
7	5001 to 10000	15	0.0185	108255	0.2489
8	10001 & above	51	0.0629	41777020	96.0529
	Total	81082	100	43493767	100

* Distribution of shareholding is not consolidated on PAN basis.

Shareholding Pattern as on 31st March, 2024:

Sr. No.	Category of Shareholder	No. of Shareholders	Total Number of Shares	% of Total No. of Shares
	(A) Shareholder of Promoter and Promoter Group			
1	Indian	3	62,68,537	14.41
2	Foreign	1	1,65,38,929	38.03
	Total shareholding of Promoter and promoter group	4	2,28,07,466	52.44
	(B) Public Shareholding			
1	Institutions			
	Indian	5	9,91,468	2.28
	Foreign	28	1,01,32,552	23.3
2	Non-Institutions	80,827	95,62,281	21.98
	Total public shareholding	80,860	2,06,86,301	47.56
	Total (A+B)	80,864	4,34,93,767	100

(i) Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or Warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2024, no GDRs/ADRs/Warrants were outstanding. Details to the extent of outstanding employee stock options convertible into equity shares have been disclosed in the disclosure for ESOPs.

(j) Commodity price risk or foreign exchange risk and their respective hedging activities

Your Company does not hedge commodity price risk and/or currency risk.

(k) Warehouse Locations

The details of the warehouse locations are disclosed in the Business Responsibility and Sustainability Reporting ("BRSR").

(l) Address for communication

Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinbelow.

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,

Vikhroli (West), Mumbai - 400083

Tel: +91 8108116767

Website: www.linkintime.co.in

E-mail: rnt.helpdesk@linkintime.co.in

Investors may also contact Mr. Jayant Prakash, Vice President - General Counsel, Company Secretary and Compliance Officer, at the Corporate Office of your Company at 605 & 606, 6th Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051, India for any assistance and guidance in connection with investors' matters.

The correspondence address of your Company are:

Registered Office: Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad - 121003 Haryana, India

Corporate Office: 605 & 606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India.

Phone: +91 22-69019100

(m) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad

The Company has obtained credit rating for its term loan facility from India Ratings and Research, a Fitch Group Company and the Credit Rating is IND BBB (Outlook - Stable).

Other Disclosures

(i) Related Party Transactions

All Related Party contracts or arrangements or transactions entered during the year were on arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Act and SEBI Regulations. None of the contracts or arrangements or transactions with any of the Related Parties were in conflict with the interest of your Company.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Note 45 of the standalone financial statements and Note 49 of the consolidated financial statements.

(ii) Details of Capital Market Non-Compliance, if any

The Equity shares of the Company are listed and traded on the stock exchanges w.e.f. 16th February, 2024. Since the date of its listing, there were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI and/or any other statutory authorities on matters relating to capital market.

(iii) Vigil Mechanism / Whistle-Blower Policy

Pursuant to the provisions of Section 177 of the Act read with the Rules thereunder and Regulation 22 of the SEBI Listing Regulations, your Company has established a Vigil Mechanism/Whistle-Blower Policy for Directors, employees, vendors, customers and other stakeholders of the Company and its subsidiaries to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within the Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanisms and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The said Policy is available on the website of your Company at <https://www.enterohealthcare.com>.

(iv) Compliance with mandatory and discretionary requirements

Your Company has complied with all the mandatory requirements of Regulations 17 to 27, Regulation 46(2) and regulation 34(3) read together with para C, D & E of Schedule V of the SEBI Listing Regulations for the financial year ended 31st March, 2024 and are disclosed in this report.

(v) Policy for Determining Material Subsidiaries

Your Company has formulated a Policy for determining Material Subsidiaries and the same is available on the website of your company at <https://www.enterohealthcare.com>.

(vi) Compliance of Regulations Relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any.

Your Company has complied with all the applicable mandatory requirements under the SEBI Listing Regulations.

(vii) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI listing Regulations

During the year, your Company floated IPO of its Equity Shares and the details of utilisation of funds raised through IPO have been mentioned in the Directors' Report. However, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

(viii) Certificates from Practising Company Secretary

As required under Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s Ranjeet Pandey & Associates (Membership No. F5922, Certificate of Practice 6087), Practising Company Secretaries regarding compliance of conditions of Corporate Governance, is annexed to this report as **Annexure 2**.

As required under Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, your Company has received a certificate from M/s Ranjeet Pandey & Associates (Membership No. F5922, Certificate of Practice 6087), Practising Company Secretaries certifying that none of your Directors have been debarred or disqualified from being appointed or continuing as Directors of your Company by SEBI or Ministry of Corporate Affairs or such other statutory authority, is annexed to this report as **Annexure 3**.

(ix) Consolidated Fees paid to Statutory Auditors

The total fee for all services paid by your Company and its Subsidiaries, on a consolidated basis, to M/s M S K A & Associates, Statutory Auditors and all the entities in the network firm/network entity, of which Statutory Auditors are a part, during the financial year 2023-24 is ₹ 23 million. The bifurcation of the same is mentioned below:

Towards	Amount (In ₹)
Draft Red Herring Prospectus (DRHP)	75,00,000
Red Herring Prospectus (RHP)	50,00,000
Special Purpose Audit for September'23	20,00,000
Limited Review Report for Dec'23	5,00,000
Audit Fees for the Company and its subsidiaries	80,00,000
Total Fees	2,30,00,000

(x) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment are provided in the Directors Report, forming part of this Integrated Annual Report.

(xi) Details of material subsidiaries of the listed entity during FY 2023-24; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Your Company did not have any material subsidiaries during the FY 2023-24.

(xii) Loans and advances in the nature of loans to firms/ companies in which directors are interested

There are no such loans and advances in the nature of loans to firms/companies in which Directors are interested apart from Inter-Corporate Deposits ("ICD") given by the Company to its subsidiaries and guarantees and securities for the facilities availed by subsidiaries from Banks/ NBFC/ Financial Institutions.

(xiii) Policy on Dealing with Related Party Transactions

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which is available on the weblink of the Company at www.enterohealthcare.com.

(XIV) Non-Compliance of any requirement of Corporate Governance Report under sub-para (2) to (10) of Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any:

Your Company has fully complied with all the requirements of the Corporate Governance report under sub-para (2) to (10) of para C of Schedule V of SEBI (LODR) Regulations and there are no such non compliances in the said Report.

Binding agreement(s)

No agreement has been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or its subsidiary or associate companies, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, whether or not the Company is a party to such agreements.

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer (also being the "Managing Director") and the Chief Financial

Officer have given appropriate certifications to the Board. The Certificate duly signed by Mr. Prabhat Agrawal, Managing Director and Chief Executive Officer and Mr. CV Ram, Chief Financial Officer (CFO) of your Company was placed before the Board along with the Annual Financial Statement for the year ended 31st March, 2024 at its meeting held on 29th May, 2024. The said Certificate is annexed to this report as **Annexure 4**.

Secretarial Audit & Secretarial Compliance Report

The Board has appointed M/s. Ranjeet Pandey & Associates (Membership No. F5922, Certificate of Practice 6087), Practicing Company Secretaries, to conduct secretarial audit of the Company's records and documents for FY 2023-24. In terms of Regulation 24A of the SEBI Listing Regulations, Secretarial Audit report for FY 2023-24, has been issued by M/s Ranjeet Pandey & Associates, Practicing Company Secretaries. The aforesaid Secretarial Audit report forms part of the Director's Report and the same is available on the website of your Company at www.enterohealthcare.com.

The Annual Secretarial Compliance Report for FY 2023-24 in compliance with Regulation 24A of the SEBI Listing Regulations issued by M/s Ranjeet Pandey & Associates, Practicing Company Secretaries was duly submitted to the Stock Exchanges.

Reporting as per para F of Schedule V of the SEBI Listing Regulations

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable.

Designated E-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is investor.grievance@ehspl.com. The e-mail address for grievance redressal is monitored by your Company's Compliance Officer. The aforesaid e-mail address for grievance redressal and other relevant details are

available on the website of your Company at enterohealthcare.com.

SEBI Complaints Redressal System (SCORES)

The investor complaints are processed by SEBI in a centralised web-based complaints redressal system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has registered itself at SCORES.

In accordance with the SEBI Circular SEBI/HO/OIAE/OIAE-IAD-1/P/CIR/2023/131 dated 31st July, 2023, your Company has registered on the new SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal), which has been developed to enhance the resolution of investor grievances.

Legal proceedings in respect of title of shares

There are no pending cases related to disputes over title to shares in which your Company has been made a party.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund ('IEPF')

Not Applicable

Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Members at their e-mail address previously registered with the DPs and RTAs. Members who have not registered their e-mail addresses so far are requested to do the same. Those Members holding shares in demat form can register their e-mail address with their concerned DPs. Members who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

ANNEXURE 1

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the members of the Board, Key Managerial Personnel and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members, Key Managerial Personnel and Senior Management Personnel in respect of the financial year ended 31st March, 2024.

Date: 29th May, 2024

Place: Mumbai

Prabhat Agrawal
(Managing Director & CEO)
DIN: 07466382

ANNEXURE 2

CORPORATE GOVERNANCE CERTIFICATE
CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Entero Healthcare Solutions Limited
(Formerly known as Entero Healthcare Solutions Private Limited)
Plot No. I-35, Building-B, Industrial Area, Phase-I,
13/7, Mathura Road, Faridabad-121003, Haryana.

We have examined all relevant records of Entero Healthcare Solutions Limited ("the Company/Listed Entity") for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate 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.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

CS RANJEET PANDEY

FCS- 5922, CP No.- 6087

UDIN: F005922F000870115

PR No: - 1912/2022

Place: NEW DELHI
Date: 2nd August, 2024

ANNEXURE 3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(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,

Entero Healthcare Solutions Limited

(Formerly known as Entero Healthcare Solutions Private Limited)

Plot No. I-35, Building-B, Industrial Area, Phase-I,

13/7, Mathura Road, Faridabad-121003, Haryana.

We have examined the relevant disclosures received from the directors, registers, records, forms, returns maintained by the company and produced before us for the purpose of issuing Certificate of Non-Disqualification of Directors in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. On the basis of such examination, we hereby certify as under:

1. That Entero Healthcare Solutions Limited (CIN: L74999HR2018PLC072204) is having its registered office at Plot No. I-35, Building-B, Industrial Area, Phase-I, 13/7, Mathura Road, Faridabad-121003, Haryana (hereinafter referred as "the Company") and the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited;
2. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164 and 149 of the Companies Act 2013 ("the Act") including status of Directors Identification Number (DIN) at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the below named Directors on the Board of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of appointment in Company
1.	Prabhat Agrawal	07466382	10/01/2018
2.	Prem Sethi	07077034	10/01/2018
3.	Arun Sadhanandham	08445197	25/08/2020
4.	Sumona Chakraborty	09597426	24/08/2023
5.	Sandhya Gadkari Sharma	02005378	25/08/2023
6.	Rajesh Shashikant Dalal	03504969	25/08/2023
7.	Vasudevan Sujesh	08240092	25/08/2023
8.	Vipul Indravadan Desai	08350894	25/03/2019

3. Ensuring the eligibility of 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 these 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.
4. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

CS RANJEET PANDEY

FCS- 5922, CP No.- 6087

UDIN: F005922F000870401

PR No: - 1912/2022

Place: NEW DELHI

Date: 2nd August, 2024

ANNEXURE 4**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To,
The Board of Directors,
Entero Healthcare Solutions Limited
Entero Healthcare Solutions Limited ("Company")
Plot No. I-35, Building -B
Industrial Area Phase -I, 13/7 Mathura Road
Faridabad, Haryana, India-121003.

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31st March, 2024, and to the best of our knowledge and belief –
 - I. these statements do not contain any materially untrue statement or omit any material fact or contain 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we 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.
4. We have indicated to the Auditors and the Audit Committee –
 - I. that there are no significant changes in internal control over financial reporting during the year;
 - II. that there are no significant changes in accounting policies during the year; and
 - III. that there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

Date: 29th May, 2024
Place: Mumbai

Prabhat Agrawal
Managing Director & Chief Executive Officer
DIN: 07466382

Chebolu Venkata Ramana Ram
Chief Financial Officer

Business Responsibility and Sustainability Reporting

Business Responsibility and Sustainability Reporting (BRSR) is a mandatory reporting requirement established by the Securities & Exchange Board of India (SEBI) for the top 1000 listed companies by market capitalization in India. The BRSR principles, which are based on the National Guidelines on Responsible Business Conduct (NGRBC—introduced by India's Ministry of Corporate Affairs on 15th March, 2019, to promote responsible business practices), encourage listed companies to adopt Sustainable Business Practices and disclose information about their Environmental, Social, and Governance (ESG) performance.

The Company aims to advance in its ESG journey to achieve its goals of becoming a sustainable and responsible corporate entity and hereby presents its BRSR for the financial year 2023-24, in accordance with Regulation 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Entero Healthcare Solutions Limited, established in 2018, is responsible for Distribution and Marketing of Pharmaceuticals, Surgical and other Healthcare & Allied products. Previously known as 'Entero Healthcare Solutions Private Limited', with effect from 25th August 2023, the Company converted into Public Limited Company and with effect from 16th February 2024, got listed on NSE and BSE.

As one of India's largest and rapidly expanding healthcare and pharmaceutical product distributors, the Company has earned recognition among the top three distributors in terms of revenue in FY 2021-22. With a widespread operational footprint spanning 540 districts and physical warehouses in 39 cities across India, the Company boasts the largest customer network among pharmaceutical distributors and a prominent presence among retail pharmacies. Notably, the Company achieved unprecedented operational growth from FY 2018-19 to FY 2021-22. Now listed, the Company is poised to disclose its BRSR for FY 2023-24 in a consolidated manner, encompassing its subsidiaries.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In this report, the words – ‘The Company’, ‘Entero’, ‘We’, ‘Our’ are used interchangeably to denote Entero Healthcare Solutions Limited and its subsidiaries

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity** - L74999HR2018PLC072204
2. **Name of the Listed Entity** - Entero Healthcare Solutions Limited
3. **Year of incorporation** - 2018
4. **Registered office address** - Plot No. I-35, Building -B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad, Haryana- 121003
5. **Corporate address** - 605 / 606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
6. **E-mail** - co.sec@ehspl.com
7. **Telephone** - 022-69019100 / 022-26529100
8. **Website** - www.enterohealthcare.com
9. **Financial year for which reporting is being done** - 2023-24
10. **Name of the Stock Exchange(s) where shares are listed:**

Name of the Exchange	Stock Code
BSE Ltd.	544122
National Stock Exchange of India Ltd.	ENTERO

11. **Paid-up Capital** - ₹ 43,49,37,670/-
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report** - Mr. Jayant Prakash
Tel: 022-69019100

Address: 605/606, 6th Floor, Trade Centre, Bandra Kurla Complex, Bandra (East), Mumbai, 400051
13. **Reporting boundary**
Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). - This report is prepared on a consolidated basis for Entero Healthcare Solutions Limited (“Entero”/“Company”/“We”), encompassing its 39 subsidiaries.
14. **Name of assurance provider** - Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 date- 12th July, 2023.
15. **Type of assurance obtained** - Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 date- 12th July, 2023.

II. Products/services**16. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	The Company and its subsidiaries are engaged in the Business of Distribution and Marketing of Pharmaceuticals, Surgical and other Healthcare and Allied products.	Distribution and Marketing of Pharmaceuticals, Surgical and other Healthcare and Allied products.	100.00

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1.	Distribution and Marketing of Pharmaceutical, Surgical and other Healthcare and Allied products.	46497	100.00

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices/ Warehouses	Total
National	Nil	105	105
International	Nil	Nil	Nil

19. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of States & UTs)	19 States
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable as per the operations.

c. A brief on types of customers: The Company operates in B2B segment. The customer base of Entero Healthcare Solutions Limited and its subsidiaries, consists of various segments within the Healthcare industry. This segment includes Retail Pharmacies, Hospitals, and Institutions such as Clinics.**IV. Employees****20. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B / A)	Female No. (C)	Female % (C / A)
EMPLOYEES						
1.	Permanent (D)	3,240	2,388	73.70	852	26.30
2.	Other than Permanent (E)	144	118	81.94	26	18.06
3.	Total employees (D + E)	3,384	2,506	74.05	878	25.95
WORKERS						
4.	Permanent (F)	The Company does not have any workers.				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

Note: Owing to the Nature of Business, we have unskilled employees working for a short duration and all resources are employed as Employees, as the Company and its subsidiaries are registered under Shops and Establishments Act of respective states.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)		The Company does not have any Differently abled Employees.			
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)		The Company does not have any Differently abled workers.			
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

Note: The Company is in the process to assess the feasibility of recruiting resources with reduced mobility in the coming financial year.

21. Participation/Inclusion/ Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25.00
Key Management Personnel*	2	0	0.00

The table represents Entero's BoD & KMPs

*Note: KMP's include: Group Chief Financial Officer and General Counsel/ Company Secretary/ Compliance Officer of Entero.

22. Turnover rate for permanent employees and workers (in percent):

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	37.84	36.40	37.45	46.22	47.31	46.52	42.79	47.12	44.02
Permanent Workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	R S M Pharma Private Limited	Subsidiary	100.00	Yes
2.	Jaggi Enterprises Private Limited	Subsidiary	100.00	Yes
3.	G.S.Pharmaceutical Distributors Private Limited	Subsidiary	100.00	Yes
4.	Novacare Healthcare Solutions Private Limited	Subsidiary	100.00	Yes
5.	Chhabra Healthcare Solutions Private Limited	Subsidiary	100.00	Yes
6.	Galaxystar Pharma Distributors Private Limited	Subsidiary	100.00	Yes
7.	Sundarlal Pharma Distributors Private Limited	Subsidiary	100.00	Yes
8.	Millennium Medisolutions Private Limited	Subsidiary	100.00	Yes
9.	Getwell Medicare Solution Private Limited	Subsidiary	85.00	Yes
10.	Vasavi Medicare Solutions Private Limited	Subsidiary	100.00	Yes

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
11.	Avenues Pharma Distributors Private Limited	Subsidiary	100.00	Yes
12.	Chirag Medicare Solutions Private Limited	Subsidiary	100.00	Yes
13.	Chethana Healthcare Solutions Private Limited	Subsidiary	100.00	Yes
14.	Rada Medisolutions Private Limited	Subsidiary	100.00	Yes
15.	Chethana Pharma Private Limited	Subsidiary	100.00	Yes
16.	SVMED Solutions Private Limited	Subsidiary	100.00	Yes
17.	CPD Pharma Private Limited	Subsidiary	100.00	Yes
18.	Sesha Balajee Medisolutions Private Limited	Subsidiary	100.00	Yes
19.	Barros Enterprises Private Limited	Subsidiary	100.00	Yes
20.	Calcutta Medisolutions Private Limited	Subsidiary	100.00	Yes
21.	Quomed Lifesciences Private Limited	Subsidiary	100.00	Yes
22.	Rimedio Pharma Private Limited	Subsidiary	100.00	Yes
23.	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	100.00	Yes
24.	Chethana Pharma Distributors Private Limited	Subsidiary	100.00	Yes
25.	Curever Pharma Private Limited	Subsidiary	100.00	Yes
26.	Atreja Healthcare Solutions Private Limited	Subsidiary	100.00	Yes
27.	City Pharma Distributors Private Limited	Subsidiary	100.00	Yes
28.	Western Healthcare Solutions Private Limited	Subsidiary	100.00	Yes
29.	Swami Medisolutions Private Limited	Subsidiary	100.00	Yes
30.	New RRPD Private Limited	Subsidiary	100.00	Yes
31.	New Siva Agencies Private Limited	Subsidiary	100.00	Yes
32.	Zennx Software Solutions Private Limited	Subsidiary	100.00	Yes
33.	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	100.00	Yes
34.	Sri Parshva Pharma Distributors Private Limited	Subsidiary	100.00	Yes
35.	Saurashtra Medisolutions Private Limited	Subsidiary	100.00	Yes
36.	SVS Lifesciences Private Limited	Subsidiary	100.00	Yes
37.	S.S. Pharma Traders Private Limited	Subsidiary	100.00	Yes
38.	Entero R.S. Enterprises Private Limited	Subsidiary	100.00	Yes
39.	Dhanvanthri Super Speciality Private Limited	Subsidiary	80.00	Yes

**The Company is actively working with all its subsidiaries to advance its business responsibility and ESG initiatives.*

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

CSR is not applicable to Entero Healthcare Solutions Limited. However, it is applicable to its subsidiaries Chethana Pharma Pvt Ltd, Chirag Medicare Solutions Pvt. Ltd and R S M Pharma Pvt. Ltd.

(ii) **Turnover** – 3181.61 Million

(iii) **Net worth** – 16264.13 Million

** The turnover & net worth details pertain to Chethana Pharma Pvt Ltd, Chirag Medicare Solutions Pvt. Ltd and R S M Pharma Pvt. Ltd.*

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Not Applicable	Nil	Nil	-
Investors (other than shareholders)	Yes, the Company has a Grievance Redressal Mechanism in place for its investors. We prioritize addressing and resolving Investor concerns promptly and effectively. To facilitate this, we have established a dedicated email ID: investor.grievance@ehspl.com where investors can submit their grievances.	37	0	All complaints received were addressed within specified timeframes.	Nil	Nil	-
Shareholders	Yes- Stakeholder's Relationship Committee addresses the grievances. Further, the Complaints can be addressed at SEBI SCORES portal: https://www.scores.gov.in and Whistleblower policy (https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Vigil-Mechanism-&-Whistle-Blower-Policy.pdf)	Nil	Nil	-	Nil	Nil	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes- Employee's Code of Conduct policy (Available on Intranet) addresses the grievances.	1	1	Compensation related issue which was amicably resolved	Nil	Nil	Not Applicable
Customers	Yes, The Company has established a Grievance Redressal Mechanism in place. Customers can reach out for support and resolution of their grievances by emailing us: info@enterohealthcare.com ; entero.drugsafety@ehspl.com ; customercare@enterohealthcare.com	Nil	Nil	Not Applicable	Nil	Nil	Not Applicable
Value Chain Partners	Yes, the Company has a Supplier Code of Conduct policy in place. This policy ensures that all partners within the value chain adhere to the highest standards of ethical conduct, environmental stewardship, and social responsibility.	Nil	Nil	Not Applicable	Nil	Nil	Not Applicable

26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications¹

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Employee Welfare	Opportunity	By investing in supportive workplace environments, we attract and retain top talent and enhance overall workforce morale. This focus on employee welfare not only fosters a loyal and motivated team but also positions the Company as a leader in the industry. Moreover, employee well-being contributes positively to the Company's reputation, driving higher customer satisfaction and, ultimately, greater business success.	Not Applicable	Positive
2	GHG (Green House Gas) Emission	Risk	Greenhouse gas (GHG) emissions pose a significant risk to a Distributor of healthcare products by potentially disrupting the Supply chain and increasing Operational costs. As Regulatory bodies worldwide impose stricter environmental regulations, Companies with high GHG emissions may face penalties, increased compliance costs and restrictions on their operations. Additionally, Climate Change driven by GHG emissions can lead to extreme weather events, such as hurricanes and floods, which can damage infrastructure, delayed deliveries and disrupt the distribution network.	To mitigate these risks, we aim to implement strategies such as improving Energy efficiency, transitioning to renewable energy sources and enhancing supply chain resilience through diversification and robust contingency planning.	Negative * There was no financial impact in the reporting year 2023-24.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Business Ethics	Opportunity	The Company has a significant opportunity to differentiate itself in a competitive market by adopting strong Business Ethics. By committing to Ethical practices, such as Transparent pricing, Fair labor conditions and Responsible sourcing of medical supplies, the Distributor can build a strong reputation for integrity and trustworthiness. Ensuring compliance with relevant regulations would avoid litigations and strengthen the corporate governance of the Company.	Not Applicable	Positive
4	Managing fleet fuel	Risk	Managing Fleet fuel presents a risk due to various factors such as Fluctuating fuel prices, inefficient fuel consumption and the potential for environmental impact. These risks can result in increased operational costs, revenue losses, regulatory non-compliance and reputational damage.	To mitigate these risks, we aim to implement robust fuel management strategies, including monitoring Fuel usage, adopting Fuel-efficient technologies and conducting Regular audits. Additionally, conducting Regular maintenance on Fleet vehicles, and promoting a culture of Fuel efficiency can help mitigate risks associated with Fleet fuel management.	Negative * There was no negative financial impact in the reporting year 2023-24.
5	Customer Welfare	Opportunity	By prioritizing Customer welfare, we focus on providing high-quality products and services that meet the unique needs of healthcare facilities and patients, ultimately leading to improved patient outcomes and satisfaction. This fosters trust and loyalty among the customers, resulting in increased retention and referral business. Additionally, by actively engaging with our dealers & customers to understand market needs and preferences, we try to identify opportunities for innovation and continuous improvement, further enhancing the value we provide to our customers.	Not Applicable	Positive

¹Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-2024 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB). This follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS Foundation in 2022.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Please refer to the table below for the list of policies.								

S. No.	Name of policy	Link to Policy	Principle-Policy alignment
1	Policy for Determination of Materiality of any event/ information	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Policy-on-Materialit-of-Events.pdf	P1
2	Dividend Distribution Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Dividend-Distribution-Policy.pdf	P1
3	Vigil Mechanism and Whistle Blower Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Vigil-Mechanism-&-Whistle-Blower-Policy.pdf	P1
4	Policy on Materiality of Related Party Transactions	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Policy-On-Materiality-of-RPT.pdf	P1, P4, P7
5	Corporate Social Responsibility Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Corporate-Social-Responsibility-Policy.pdf	P8
6	Policy on Prevention of Sexual Harassment	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Policy-on-Prevention-of-Sexual-Harassment.pdf	P5
7	Code of Prohibition of Insider Trading and Fair Disclosure of UPSI	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Code-for-Prohibition-of-Insider-Trading-and-Fair-disclosure-of-UPSI.pdf	P1
8	Archival Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Archival-Policy.pdf	P1
9	Code of Conduct for Independent Directors	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Code-of-Conduct-for-Independent-Directors.pdf	P1
10	Code of Conduct for the Board of Directors and the Senior Management	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Code-of-Conduct-for-the-Board-of-Directors-and-the-Senior-Management.pdf	P1
11	Nomination and Remuneration Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Nomination-and-Remuneration-Policy.pdf	P1, P5
12	Policy of Determining Material Subsidiaries	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Policy-for-determining-Material-Subsidiaries.pdf	P1
13	Risk Management Policy	https://www.enterohealthcare.com/investor/documents/Corporate_Governance/Policies/Risk-Management-Policy.pdf	P1, P2
14	Policy for Evaluation of Performance of Board of Directors	Internal	P1

S. No.	Name of policy	Link to Policy	Principle-Policy alignment
15	Policy on Succession Planning for the Board and Senior Management	Internal	P1
16	Code of Conduct Policy	Internal	P1
17	Attendance Policy for HO	Internal	P3
18	Mediclaime Policy and GTA	Internal	P3
19	Local Conveyance	Internal	P3
20	Domestic Travel Policy	Internal	P3, P6
21	Conflict of Interest	Internal	P1
22	Speak Up Policy	Internal	P3, P4, P5, P9
23	POSH Policy	Internal	P5
24	Grievance Redressal Policy	Internal	P3, P5

2. Whether the entity has translated the policy into procedures. (Yes / No)

Yes, policies are translated into procedures, and the company has formulated Standing Operating Procedures (SOPs) to implement these policies effectively.

3. Do the enlisted policies extend to your value chain partners? (Yes/No)

No, as of now the policies do not extend to the Company's Value Chain Partners.

4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, and Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

The Company and its subsidiaries are in the process of reviewing the impact of different standards on the operations post the listing process (Dated- 16th February, 2024). The Company would take decisive steps on the same in the financial year 2024-25.

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

The Company and its subsidiaries are committed to ESG initiatives, endeavouring to define both immediate and long term goals for Sustainability-related KPIs. These objectives span various realms including Climate change mitigation, Energy efficiency, Water conservation, Waste management, Air emission reduction and GHG mitigation. Moreover, the Company prioritizes the well-being of its employees and workers through rigorous Health and safety practices. It upholds the values of Ethics and Transparency in its workforce, followed by a robust governance framework.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

As the Company along with its subsidiaries is still evolving in terms of its ESG journey – we endeavour to set targets in coming years.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

I am pleased to present our Company's Inaugural Business Responsibility and Sustainability Report (BRSR) since our listing in February 2024. As we embark on our journey into the realm of Environment, Social and Governance (ESG) considerations, particularly within the Distributions and Marketing of Pharmaceuticals, Surgical and other Healthcare and Allied products, we recognize the importance of integrating sustainable practices into our operations. This marks our first step toward embracing ESG principles and initiatives, reflecting our commitment to responsible business practices. With a focus on B2B business, we understand the significance of aligning our strategies with societal and environmental needs. We have established ambitious targets to reduce our environmental impact, enhance workplace diversity and safety, and improve governance transparency and accountability. While we acknowledge that this marks merely the beginning of our ESG journey, we are dedicated to continuous improvement and meaningful engagement with stakeholders as we strive for sustainable growth and value creation.

Mr. Prabhat Agrawal
Managing Director & CEO

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

Mr. Prabhat Agrawal
Managing Director & CEO

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

No

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against Above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company strictly adheres to all legal and statutory standards and requirements, ensuring full compliance in all aspects.									Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Dhir & Dhir Associates, a prominent legal firm, evaluated the implementation and effectiveness of policies, emphasizing their efficacy. Different Departments and Business leaders regularly assess and revise policies, with ultimate approval granted by Management or the Board. Internal auditors and Regulatory authorities scrutinize the processes and compliance measures, if necessary.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable as the Company policies are compliant with all the principles.								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. *Percentage coverage by training and awareness programmes on any of the Principles during the financial year:*

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	<ol style="list-style-type: none"> Overview of Corporate Governance Framework applicable to a Listed Company. Key Compliance obligations under LODR. Compliance obligations in relation to Related Party Transactions. Compliance obligations in respect of reporting of Material Events and Information under Regulation 30 of LODR. Compliance obligations in respect of Insider Trading under SEBI PIT Regulations. Disclosure obligations on the promoters under SEBI takeover code. Compliance of Secretarial Standards. Business related Induction programmes. 	100.00
Key Managerial Personnel	1	<ol style="list-style-type: none"> Overview of Corporate Governance Framework applicable to a Listed Company. Key Compliance obligations under LODR. Compliance obligations in relation to Related Party Transactions. Compliance obligations in respect of reporting of Material Events and Information under Regulation 30 of LODR. Compliance obligations in respect of Insider Trading under SEBI PIT Regulations. Disclosure obligations on the promoters under SEBI takeover code. Compliance of Secretarial Standards. 	100.00
Employees other than BoD and KMPs	4	Training on Conflict of interest; Anti Bribery; POSH and periodic Fire Mock Drill.	100.00
Workers	Not Applicable as the Company does not have any workers		

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			Nil		
Settlement					
Compounding Fee*	Principle 1	Reserve Bank of India (RBI)	47,39,235	Delay in Downstream Investments (DI under FEMA) rules	No
Non-Monetary					
Imprisonment		No instances of imprisonment or punishment were applicable.			
Punishment					

*Note: The Compounding fee was imposed on Entero Healthcare Solutions Limited.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	No Appeal or Revision were preferred, hence not applicable.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company does not have a specific Anti-Bribery and Anti-Corruption (ABAC) policy in place. However, within our comprehensive Code of Conduct (present in our Intranet), we have a dedicated clause addressing Bribery, outlining our firm stance against any form of Corruption. This clause serves as a guiding principle for all employees, emphasizing the importance of Ethical conduct in our business dealings. We maintain strict adherence to this Anti-bribery provision, ensuring that our operations are conducted with Integrity and Transparency.

5. **Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors		
KMPs		
Employees		Nil
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors		In both reporting years, the Company and its subsidiaries have not received any complaints related to Conflicts of Interest.		
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

During the reporting year, the Company and its subsidiaries did not encounter any incidents related to Conflicts of Interest, Corruption, Fines, Penalties, or Actions taken by Regulators, Law enforcement agencies or Judicial institutions. As a result, there were no instances that required corrective action or investigation in this regard.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	21	23

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from Trading houses as % of total purchases	Not Applicable as per the business operations.	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	100.00	100.00
	b. Number of dealers/distributors to whom sales are made	89,800+ Customer Count*	84,800+ Customer Count*
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	6.83	4.94
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	8.62	4.57
	b. Sales (Sales to related parties/Total Sales)	8.15	4.25
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100.00	100.00
	d. Investments (Investments in related parties/ Total Investments made)	100.00	100.00

*Customer Count means- Retail pharmacy, hospitals, and healthcare practitioners

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) that were assessed
No Awareness programs have been conducted for the Value Chain Partners of the entity and its subsidiaries to date.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes, The Company maintains a Conflict of Interest Policy and is available on its Intranet. This policy provides detailed guidelines for identifying, disclosing and handling conflicts of interest among the Board members. It emphasizes Transparency, Fairness and Ethical decision-making, ensuring that the Board's actions uphold the interests of all stakeholders.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	2023-24	2022-23	Details of Improvements in environmental and social impacts
R&D	The Company and its subsidiaries aspire to improve its Environmental and Social impact on their business processes by various activities and is an integral part of their operations. Therefore, the investments are not separable for any specific technology.		
Capex			

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The Entity's approach of directly sourcing products from Pharmaceutical Manufacturers or Registered dealers or the CFA (Carrying and Forwarding Agents) ensures a high level of legitimacy and quality control in the procurement process. Even though there isn't any specific Sustainable sourcing policy in place, our aim is to implement one in the future.

- If yes, what percentage of inputs were sourced sustainably?**

Not Applicable. As there is no formal procedure for Sustainable sourcing.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Our Company and its subsidiaries place a strong emphasis on responsible Waste Management, although we currently lack specific procedures for reclaiming Plastics, including packaging, for Reuse, Recycling or Disposal. While we do not handle E-waste or Hazardous waste, we responsibly manage other waste types through Municipal collection services. Our commitment lies in minimizing waste generation and adopting environmentally sustainable practices. Continuously striving for improvement, we dedicate ourselves to aligning our waste management processes with Industry Best Practices and Regulatory standards.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No, Extended Producer Responsibility (EPR) is not applicable to the Company and its subsidiaries business operations.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
----------	-------------------------	---------------------------------	--	---	--

The Company and its subsidiaries operate as wholesale distributors of pharmaceuticals, surgical and other healthcare and allied products. The Company and its subsidiaries are not liable for any manufacturing/processing so LCA is not applicable to the Company.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/ Service	Description of the risk/ concern	Action Taken
Not Applicable as the Company and its subsidiaries are not involved in manufacturing/processing of any goods.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23

The percentage of recycled or reused input materials to total materials used in production is not applicable to the Company and its subsidiaries operations, as it functions as a wholesale distributor of healthcare, pharmaceuticals, surgical and other allied products and do not engage in any manufacturing/processing activities.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed

Plastics (including packaging)

E-waste

Hazardous Waste

Other waste

Not applicable to the Company and its subsidiaries considering their nature of operations.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
	Not Applicable

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,388	447	18.71	447	18.71	0	0.00	447	18.71	0	0.00
Female	852	49	5.75	49	5.75	49	5.75	0	0	0	0.00
Total*	3,240	496	15.30	496	15.30	49	1.51	447	13.79	0	0.00
Other than Permanent Employees											
Male	118	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Female	26	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	144	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00

Note- The variance in the numerical exists because other individuals are covered by ESIC. This occurs because the operations entail tasks that do not necessitate skilled labour.

b. Details of measures for the well-being of workers:

	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Other than Permanent Workers											
Male	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.02	0.03

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00	0.00	Y	100.00	0.00	Y
Gratuity	100.00	0.00	NA	100.00	0.00	NA
ESI	100.00	0.00	NA	100.00	0.00	NA

**All resources are employed as Employees, as the Company and its subsidiaries are registered under Shops and Establishments Act of respective states.*

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company and its subsidiaries are actively working to create a more inclusive and accessible workspace for all employees. Some of the warehouses and offices are equipped with ramps designed to ensure easy access for individuals with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

While the entity does not have a specific Equal Opportunity Policy aligned with the Rights of Persons with Disabilities Act, 2016, our existing Code of Conduct Policy serves to foster principles of fairness and non-discrimination. This comprehensive policy promotes a workplace culture where all individuals are treated equitably and respectfully. We strive to create an inclusive environment where everyone has the opportunity to thrive and contribute to their fullest potential.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-		
Female	-	-	-	
Total	-	-		

**The Company is preparing record keeping process on the above for FY 2024-25 being listed on 16th February 2024, The Company is rationalizing data requirements for BRSR.*

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	The Company's POSH (Prevention of Sexual Harassment) and The Employee Handbook are designed to provide robust mechanisms for employees to report grievances safely and confidentially. These policies ensure a respectful and secure work environment by addressing issues like Harassment, Discrimination and Unethical practices. Employees can report grievances through multiple channels, including direct emails to the Human Resources team, or by contacting their Reporting Manager.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male						
Female						
Total Permanent Worker						
Male						
Female						

Currently, none of the Company's or its subsidiaries employees/ workers are affiliated with any associations or unions.

8. Details of training given to employees and workers:

	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,506	0	0.00	0	0.00	2,324	0	0.00	0	0.00
Female	878	0	0.00	0	0.00	864	0	0.00	0	0.00
Total	3,384	0	0.00	0	0.00	3,188	0	0.00	0	0.00
Workers										
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Total	0	0	0.00	0	0.00	0	0	0.00	0	0.00

*As the Company and its subsidiaries are not into manufacturing or processing activities, the current operations do not entail the requirement of the above trainings. However, the Company would keep monitoring on the above requirements.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,506	2,506	100.00	2,324	2,324	100.00
Female	878	878	100.00	864	864	100.00
Total	3,384	3,384	100.00	3,188	3,188	100.00
Workers						
Male	0	0	0.00	0	0	0.00
Female	0	0	0.00	0	0	0.00
Total	0	0	0.00	0	0	0.00

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company and its subsidiaries currently do not have an Occupational Health and Safety Management System in place. However, as this is the first time we are reporting under the BRSR framework, we acknowledge the importance of such a system. Moving forward, the Company and its subsidiaries are committed to exploring the implementation of a comprehensive occupational health and safety management system. We aim to develop and establish appropriate procedures and protocols to ensure the safety and well-being of our employees. This initiative will be a priority for us as we strive to align with best practices and enhance our overall sustainability efforts.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Currently, the Company and its subsidiaries do not have established procedures for identifying work-related hazards and assessing risks on either a routine or non-routine basis. However, recognizing the importance of such processes for ensuring workplace safety and compliance, the Company and its subsidiaries are committed to developing and implementing comprehensive Hazard Identification and Risk Assessment (HIRA) protocols in the near future. As this is the first time we are reporting under the BRSR framework, we acknowledge the need for structured procedures and are actively working towards formulating and integrating these safety measures into our operational practices soon.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

The Company and its subsidiaries do not have a formal procedure in place for workers to report work-related hazards and remove themselves from such risks. However, we are committed to developing and implementing such a procedure in the near future. We aim to establish a robust process that ensures the safety and well-being of our employees.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

The Employees of the Company and its subsidiaries do not have access to Non-occupational Medical and Healthcare services. However, the Company and its subsidiaries have demonstrated its commitment to employee's well-being by organizing Health Camps, Dental Camps and Cardiovascular Sessions. These initiatives highlight our dedication to promoting the health and wellness of our employees, even in the absence of a formal procedure for Non-occupational Medical services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	No such incidents occurred in both the reporting years.	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company and its subsidiaries have ensured all equipment and processes for activities in the warehouses to be carried out in a safe and healthy manner. The Company and its subsidiaries are not involved in any manufacturing/processing activities.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	There were no complaints regarding working conditions for health and safety during either of the reporting years.					

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	No assessments were conducted during the reporting year.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable, as no such incidents occurred during the reporting year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, as a part of our commitment to provide financial support to the families and dependents of our workforce during difficult times, the Company along with its subsidiaries extends Life Insurance coverage and Compensatory packages in the event of the death of an employee.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company and its subsidiaries ensure that statutory dues are deducted and deposited by its value chain partners through a verification process. This involves checking the statutory payment deposit statements or receipts provided by these partners. By meticulously reviewing them, we verify that all necessary deductions have been accurately calculated and remitted to the appropriate authorities. This proactive approach helps us to mitigate the risk of non-compliance and ensures that statutory obligations are met in a timely and accurate manner throughout the value chain, ensuring sustainability.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

*As the Company and its subsidiaries are not involved in manufacturing/processing of any goods.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company and its subsidiaries, at present, do not provide any transition assistance to its employees. While we acknowledge the importance of supporting individuals during career transitions, we have not yet implemented formal programs for this purpose. However, we are open to exploring options to better assist employees in navigating such transitions in the future.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	As the Company got listed on 16 th Feb 2024. The Company was not able to institutionalise the interactions with Value Chain Partners as per BRSR, howsoever, The Company from the time of its inception has been working on process enhancement initiatives with its value chain partners. The Company has robust complaint redressal mechanism for its value chain partners.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable as no such incidents occurred during the reporting year.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Identifying key Stakeholder groups of the Entity and its subsidiaries involves a structured process that considers various factors such as their level of influence, interest and impact on the entity. Firstly, stakeholders are categorized based on their relationship with the organization, including Employees, Customers, Suppliers and Investors. For Employees, methods such as personal interactions, mobile communication, emails, meetings and trainings are utilized to maintain regular communication and address their needs and concerns, thereby fostering a positive work environment and ensuring their engagement and satisfaction. Customers are identified through personal interactions, virtual communication and emails, focusing on providing timely updates on service offerings and addressing any critical incidents promptly to maintain customer satisfaction and loyalty. Suppliers are identified based on personal interactions and virtual communication, with information flow being managed annually, quarterly or as per specific needs, particularly related to business continuity. Finally, Investors are identified through media releases, investor meets and annual meetings, with data flow managed annually, quarterly, or as per specific requirements, focusing on information impacting share prices and investor interests.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Personal Interaction, Mobile, E-mail, Meetings, Trainings	Regularly, Need basis	Regular updates on business, periodic interactions for relationship building
Customers	No	Personal Interaction, Mobile, E-mail	Need basis	Service offering updates, critical incident reporting
Suppliers	No	Personal Interaction, Mobile	Annually, Quarterly, Need basis	Business continuity related information flow
Investors/ Shareholders	No	Media releases, Investor meets, Annual General Meeting	Annually, Quarterly, Need basis	Data flow impacting Shares prices and Investors interests
Regulators	Yes	Website, stock exchange dissemination, and submission of document on web portal	Ongoing as on Need basis	Compliance requirement
Community	Yes	Website, conference	Ongoing	Product awareness, interaction for relationship building

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

While currently, there are no formal processes in place for consultation between stakeholders and the Board on ESG topics, it is worth noting that the Company is in the early stages of its ESG journey. As this marks the Company's first year of publishing BRSR, there is a recognition of the importance of establishing such processes in the future. Feedback from stakeholder consultations, once initiated, will be carefully documented and provided to the Board for consideration. Moving forward, the Company and its subsidiaries are committed to developing robust processes for stakeholder engagement, ensuring that their perspectives and concerns are effectively integrated into decision-making processes related to Economic, Environmental and Social matters.

2. *Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.*

Currently, the Company and its subsidiaries do not have formal consultation processes between stakeholders and the Board on the mentioned topics, as it is in the early stages of its ESG journey. Acknowledging the significance, our plans include the identification and management of environmental and social topics for Board consideration. The commitment moving forward involves developing robust stakeholder engagement processes to integrate their perspectives into decision-making on Economic, Environmental and Social matters.

3. *Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.*

While there have been no instances of engagement with or actions taken to address the concerns of vulnerable/ marginalized stakeholder groups so far, we recognize the importance of such engagement. We are committed to proactively seeking opportunities to address their concerns and prioritize their well-being in our decision-making processes. Moving forward, we aim to take concrete actions to support these stakeholder groups, ensuring their voices are heard and their needs are addressed effectively.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essentials Indicators

1. *Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:*

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,240	3,240	100.00	3,041	3,041	100.00
Other than permanent	144	144	100.00	147	147	100.00
Total Employees	3,384	3,384	100.00	3,188	3,188	100.00
Workers						
Permanent	0	0	0.00	0	0	0.00
Other than permanent	0	0	0.00	0	0	0.00
Total Workers	0	0	0.00	0	0	0.00

2. *Details of minimum wages paid to employees and workers, in the following format:*

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	3,240	342	10.56	2,898	89.44	3,041	340	11.18	2,701	88.82
Male	2,388	148	6.20	2,240	93.80	2,195	136	6.20	2,059	93.80
Female	852	194	22.77	658	77.23	846	204	24.11	642	75.89
Other than Permanent	144	144	100.00	0	0.00	147	147	100.00	0	0.00
Male	118	118	100.00	0	0.00	129	129	100.00	0	0.00
Female	26	26	100.00	0	0.00	18	18	100.00	0	0.00
Workers										
Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Other than Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00

3. Details of remuneration/salary/wages, in the following format:**a. Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category (in ₹/year)	Number	Median remuneration/ Salary/ Wages of respective category (in ₹/year)
Board of Directors (BoD)	2	3,14,95,801	Refer to the note given below	
Key Managerial Personnel*	2	1,10,97,500	Nil, as there are no female KMPs	
Employees other than BoD and KMP	443	4,82,796	49	5,77,172
Workers	Nil			

*Note: KMPs includes-Group Chief Financial Officer and General Counsel/Company Secretary/Compliance Officer;

Further, BOD includes MD, CEO & Co-Founder, and Whole time director, COO & Co-founder also three of our board members receive sitting fees.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	16.55	17.33

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company and its subsidiaries acknowledge the significance of Human Rights violations. The Company has a POSH, Grievances Redressal and a Whistle Blower Policy (available on Intranet) in place to ensure a positive and safe work environment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company's POSH (Prevention of Sexual Harassment) and Whistleblower Policies are designed to provide robust mechanisms for employees to report grievances safely and confidentially. These policies ensure a respectful and secure work environment by addressing issues like Harassment, Discrimination and Unethical practices. Employees can report grievances through multiple channels, including direct emails to the Human Resources team, or by contacting their Reporting Manager. This multi-faceted approach ensures that employees feel supported, fostering a culture of transparency and trust within the Company.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

Not Applicable, as no such incidents occurred in both reporting years.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)		Not Applicable, as no such incidents occurred in both reporting years.
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

According to the Grievance Redressal Policy (available on Intranet), any information regarding employees reporting violations or potential breaches of this policy shall be kept confidential. The Company's culture strictly prohibits any form of retaliation against the complainant, ensuring a safe and supportive environment for those who come forward.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, Human rights requirements are integral to the Company's Code of Conduct and are explicitly included in all Business Agreements and Contracts. This commitment ensures that all parties involved uphold the highest standards of Human Rights practices. Continuous monitoring is being done internally to ensure adherence to these commitments, reinforcing the Company's and its subsidiaries' dedication to Human Rights.

10. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	
Forced/involuntary labour	
Sexual Harassment	The Company and its subsidiaries did not conduct such assessments during the reporting year. However, there is a commitment to conduct these assessments in the near future.
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not applicable since the Company and its subsidiaries did not conduct such assessments during the reporting year.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

Currently, there are no set procedures for addressing human rights grievance. However, we are committed to considering the implementation of such procedures in the future.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

During the reporting period, no Human Rights Due Diligence was conducted. However, the Company and its subsidiaries intend to conduct such due diligence in the future. This process will involve comprehensively assessing the scope and coverage to ensure a thorough examination of human rights aspects across the Company and its subsidiaries.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company and its subsidiaries are actively working to create a more inclusive and accessible workspace for all employees. Our warehouses and offices are equipped with Ramps designed to ensure easy access for individuals with disabilities.

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual Harassment	
Discrimination at workplace	The Company and its subsidiaries have not conducted an assessment of value chain partners. However, as this is the first time we are reporting under the BRSR, we are committed to considering the implementation of procedures for assessing value chain partners in the future.
Child Labour	
Forced Labour / Involuntary Labour	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable since no assessment of value chain partners has been conducted by the Company and its subsidiaries.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (In Megajoules)	FY 2022-23 (In Megajoules)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total Energy consumption from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	1,69,76,656.80	1,45,08,478.80
Total fuel consumption (E)	7,86,057.41	15,76,642.36
Energy consumption through other sources (F)	0	0
Total Energy consumption from non-renewable sources (D+E+F)	1,77,62,714.21	1,60,85,121.16
Total energy consumed (A+B+C+D+E+F)	1,77,62,714.21	1,60,85,121.16
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations)-Megajoules/₹	0.00045	0.00049
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)-Megajoules/₹	0.0101	0.0108
Energy intensity in terms of physical output**	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity**	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

*** Since the Company is engaged in wholesale distribution and marketing of pharmaceuticals, surgical items, and other healthcare and allied products rather than manufacturing, these parameters are not applicable and cannot be assessed.*

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Our facilities at the Company along with its subsidiaries are not included in the Perform, Achieve and Trade (PAT) Scheme initiated by the Government of India. Consequently, our sites are not subject to the regulations and requirements of the PAT Scheme. This provides us with operational flexibility while ensuring that we still comply with relevant energy efficiency and conservation standards.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	40,608.00	38,256.00
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	40,608.00	38,256.00
Total volume of water consumption (in kilolitres)	4,060.80	3,825.60
Water intensity per rupee of turnover (Water consumed / Revenue from operations)–Kilolitres/₹	0.00000010	0.00000012
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000023	0.00000026
Water intensity in terms of physical output**	-	-
Water intensity (optional) – the relevant metric may be selected by the entity**	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

*** Since the Company is engaged in wholesale distribution and marketing of pharmaceuticals, surgical items, and other healthcare and allied products rather than manufacturing, these parameters are not applicable and cannot be assessed.*

4. Provide the following details related to water discharged

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	36,547.20	34,430.40
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	36,547.20	34,430.40

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or analysis has been conducted to assess various aspects of our operations, performance, or compliance with standards and regulations.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company and its subsidiaries have made commendable strides in environmental stewardship, particularly through the implementation of rainwater harvesting initiatives. Although we have prioritized sustainable water management practices, it should be noted that a Zero Liquid Discharge (ZLD) system has not been installed, as many of our offices/warehouses are rented. However, the focus on rainwater harvesting highlights our dedication to conserving water resources and reducing its environmental impact. This strategic approach is in line with our commitment to responsible corporate citizenship, reflecting a proactive stance on sustainability. The Company and its subsidiaries remain open to exploring additional eco-friendly solutions to further enhance its environmental performance and positively impact the communities we serve.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx			
SOx			
Particulate matter (PM)	The Company and its subsidiaries operate without generating any air emissions, demonstrating their commitment to environmental responsibility and ensuring clean air for surrounding communities.		
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

**The Company and its subsidiaries do not have any manufacturing and processing units.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance has not been carried out by an external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) [Includes only Refrigerant and Fire extinguishers]	Metric tonnes of CO ₂ equivalent	1,183.48	1,214.67
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,866.91	3,304.71
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent/ Rupees	0.00000013	0.00000014
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent/ Rupees	0.00000029	0.00000030
Total Scope 1 and Scope 2 emissions intensity in terms of physical output**		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity**		-	-

**For the Calculation of Scope 1, Company Owned Vehicles were not considered for both the financial years.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There has not been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

*** Since the Company is engaged in wholesale distribution and marketing of pharmaceuticals, surgical items, and other healthcare and allied products rather than manufacturing, these parameters are not applicable and cannot be assessed.*

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

While the Company and its subsidiaries have not undertaken any specific projects solely dedicated to reducing Greenhouse Gas (GHG) emissions, several initiatives have been implemented that contribute to environmental sustainability. The Company has transitioned to LED bulbs and tube lights across all warehouses, significantly lowering energy consumption and GHG emissions. Additionally, the Company has increased DG exhaust piping to reduce pollution, gifted Borosil stainless steel bottles to all employees to reduce plastic waste, and implemented timers for warehouse peripheral street lights to enhance energy efficiency. These measures, while not part of a dedicated GHG reduction project, collectively contribute to the Company's and its subsidiaries efforts to minimize its environmental impact.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	73.20	68.40
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	25.00	30.00
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please Specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)–Cartons and Food Waste	292.80	273.60
Total (A+B + C + D + E + F + G + H)	391.00	372.00
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000010	0.000000011
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000022	0.000000025
Waste intensity in terms of physical output**	0	0
Waste intensity (optional)–the relevant metric may be selected by the entity**	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Oil and Plastic)	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste – Oil & Plastic		
(i) Incineration	0	0
(ii) Landfilling	391.00	372.00
(iii) Other disposal operations	0	0
Total	391.00	372.00

*80% of the plastic waste is considered as Non-Hazardous Waste (Cartons, etc.) and rest (20%) for plastic wastes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or analysis has been conducted to evaluate our operations, performance, or compliance with standards and regulations.

*** Since the Company is engaged in wholesale distribution and marketing of pharmaceuticals, surgical items, and other healthcare and allied products rather than manufacturing, these parameters are not applicable and cannot be assessed.*

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company and its subsidiaries waste management practices are guided by a commitment to sustainability and environmental responsibility. However, it is important to note that the Company does not have any manufacturing or processing plants at the group level. Therefore, the specific strategies and practices related to the reduction of hazardous and toxic chemicals in products and processes, as well as the management of such wastes, are not applicable to the Company's operations. Despite this, the Company and its subsidiaries remain dedicated to implementing and promoting eco-friendly initiatives within its scope of activities.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	The Company and its subsidiaries avoid operating in environmentally fragile or ecologically sensitive areas. This strategic choice highlights their commitment to responsible business practices and environmental stewardship, preventing potential harm to fragile ecosystems. By selecting locations that are not ecologically sensitive, the Company and its subsidiaries aim to minimize their environmental impact and contribute to the preservation of biodiversity and natural habitats.		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable. Following the guidelines of the Ministry of Environment, Forest & Climate Change (MoEF), our operations are exempted from the obligation to provide environmental clearance or undergo an Environmental Impact Assessment (EIA).					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
The Company and its subsidiaries have been compliant with all the laws as stated, hence the following categories would not be applicable to us.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:** Not Applicable in our case.

(ii) **Nature of operations:** Not Applicable in our case.

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	The Company, along with its subsidiaries and warehouses, are located in regions where water stress is not a concern. This intentional choice of locations reflects our dedication to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. Consequently, there is no water withdrawal.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	The Company, along with its subsidiaries and warehouses, are located in regions where water stress is not a concern. This intentional choice of locations reflects our dedication to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. Consequently, there is no water withdrawal.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or analysis has been conducted to evaluate our operations, performance, or compliance with standards and regulations.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	63,673.16	59,497.87
Total Scope 3 emissions per rupee of turnover**	Metric tonnes of CO2 equivalent/ Rupees	0.0000016	0.0000018
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity**	-	-	-

**For the Calculation of Scope 3 Emissions- Only Waste generation has been taken into consideration, i.e. plastic waste, average of carton and food waste, and construction and demolition waste.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No external review or analysis has been conducted to evaluate our operations, performance, or compliance with standards and regulations.

*** Since the Company is engaged in wholesale distribution and marketing of pharmaceuticals, surgical items, and other healthcare and allied products rather than manufacturing, these parameters are not applicable and cannot be assessed.*

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company and subsidiaries consciously avoid conducting operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores its dedication to responsible business practices and environmental stewardship, aiming to prevent potential harm to delicate ecosystems. By deliberately selecting locations that are not ecologically sensitive, the Company and subsidiaries seek to minimize its environmental footprint and support the preservation of biodiversity and natural habitats.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of LED Bulbs and tube lights in our all warehouses.	These efforts are internal to the Company, so no web link is available for reference.	This Initiative marks a significant step towards enhancing our energy efficiency and sustainability efforts. By transitioning to LED lighting, we are not only reducing our Energy consumption and Carbon footprint but also ensuring brighter and safer working environments for our employees.
2	Misc. initiatives: <ul style="list-style-type: none"> Increased DG exhaust piping to reduce pollution. We have gifted Borosil stainless steel bottles to our all employees to reduce plastic waste. We also implemented Timer for our warehouse peripheral street lights. 	These efforts are internal to the Company, so no web link is available for reference.	By increasing DG Exhaust Piping, we have effectively reduced pollution levels, contributing to a cleaner environment. Providing Borosil stainless steel bottles to all employees has significantly decreased plastic waste, promoting sustainable practices within our organization. Additionally, implementing timers for our Warehouse peripheral street lights has enhanced Energy efficiency, leading to reduced energy consumption and lower operational costs. Together, these efforts underscore our commitment to environmental sustainability and responsible resource management.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has not formulated a Business Continuity and Disaster Management Plan, including its subsidiaries, but intends to consider implementing one in the future. As it marks the first instance of reporting under BRSR for the Company, it aims to work towards establishing such a plan soon.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company and its subsidiaries have not identified any significant adverse impact on the environment stemming from its value chain. However, looking ahead, the Company and its subsidiaries remain committed to proactively assessing potential environmental risks and implementing appropriate mitigation or adaptation measures as necessary. We aim to continually enhance sustainability practices throughout our operations, ensuring minimal environmental impact across the entire value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The percentage of value chain partners assessed for environmental impacts is not applicable, as the Company and its subsidiaries have not detected any significant adverse environmental impacts within their value chain. However, the Company and its subsidiaries are dedicated to proactively evaluating potential environmental risks and implementing suitable mitigation or adaptation measures in the future.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations.

The Company and its subsidiaries are affiliated with one key trade and industry association: the All India Organization of Chemists & Druggists (AIOCD). In many of the States, we are also the members of the State Level Chemist and Druggist Association.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	AIOCD (All India Organization of Chemists & Druggists)	National

**In many of the States, we are members of the State Level Chemist and Druggist Association.*

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
No issues related to anti-competitive conduct have occurred, and therefore, no corrective actions were required. The Company and its subsidiaries maintain a strict adherence to regulatory compliance and fair business practices, ensuring a competitive and ethical operating environment.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
Nil					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company and its subsidiaries have a Grievance Redressal Mechanism in place for its investors. To facilitate this, we have a dedicated email ID – investor.grievance@ehspl.com – where investors can submit their grievances available on the website and for general contact we have a dedicated email ID – info@enterohealthcare.com.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	7.29	9.16
Sourced directly from within India**		

**The percentages provided above pertain to the Company and its subsidiaries. Additionally, this figure reflects the data for input materials sourced from MSMEs and directly from within India.

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	0.00	0.00
Semi-Urban	1.38	1.48
Urban	12.40	12.13
Metropolitan	86.22	86.39

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable, as the Company and its subsidiaries have not conducted any Social Impact Assessments (SIAs).	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No	State	Aspirational District	Amount spent (In ₹)
1	-	-	₹ 12,90,000 (CSR by Chirag Medicare Solutions Private Limited)
2	-	-	₹ 14,20,000 (CSR by Chethana Pharma Private Limited)
3	-	-	₹ 7,20,000 (CSR by R S M Pharma Private Limited)

*CSR is not applicable to Entero and its subsidiaries except for the following: Chethana Pharma Pvt Ltd, Chirag Medicare Solutions Pvt. Ltd and R S M Pharma Pvt. Ltd. However, they contribute funds to the Prime Minister's National Relief Fund. Consequently, we do not have specific information on the allocation of these funds, the causes they support, or the number of beneficiaries covered under it.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

There is no Preferential Procurement Policy in place to prioritize suppliers from marginalized or vulnerable groups. Our procurement strategy focuses on fair and equitable practices. We are committed to fostering an inclusive supply chain by ensuring all suppliers have equal opportunities to compete. This approach promotes diversity, innovation, and allows us to build strong partnerships based on merit and quality.

(b) From which marginalized /vulnerable groups do you procure?

Although there is no Preferential Procurement Policy for a particular marginalized /vulnerable groups. Our procurement strategy focuses on fair and equitable practices.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
-------	-------------	---	--

CSR is not applicable to the Company and its subsidiaries except for the following: Chethana Pharma Pvt Ltd, Chirag Medicare Solutions Pvt. Ltd and R S M Pharma Pvt. Ltd. However, we contribute funds to the Prime Minister's National Relief Fund. Consequently, the Company and its subsidiaries do not have specific information on the allocation of these funds, the causes they support, or the number of beneficiaries covered.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Complaints can be raised by complainant via various methods such as telephone calls received on the Company's phone no., emails at mailbox (info@enterohealthcare.com) or any postal mails received at the Company offices etc. For Product Medical Information, For Adverse event (AE) or product complaints related to Entero marketed products, complainant can contact us on landline number provided on our website.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil, considering the entity and their subsidiaries business operations are not involved in manufacturing/ processing of any goods.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy			No such complaints received for both the reporting years.			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						
Total						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		Not Applicable
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has established a comprehensive framework and policy addressing cyber security and data privacy risks. This policy outlines protocols and measures to safeguard sensitive information and mitigate cyber threats effectively. It emphasizes the importance of data protection, compliance with regulations and the adoption of best practices to ensure the integrity and confidentiality of data assets. The Policy is present on the Company's Intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as no such incidents occurred

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

There have been no instances of data breaches reported during the specified period.

b. Percentage of data breaches involving personally identifiable information of customers

There is no percentage of data breaches involving personally identifiable information of customers.

c. Impact, if any, of the data breaches

No impact has been observed as a result of data breaches, affirming the effectiveness of the Company's and its subsidiaries' data security measures in safeguarding sensitive information and maintaining the trust of its customers.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on products and services offered by the entity can be accessed through its official website: <https://www.enterohealthcare.com/>. This platform serves as a comprehensive source where customers and stakeholders can explore details about the Company's range of healthcare, pharmaceuticals, surgical and other allied products and services.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As the Company and its subsidiaries operate in the B2B sector, there is no requirement for specific measures to inform and educate consumers about safe and responsible product usage or mechanisms to address risks of service disruption. Further information can be accessed through its official website: <https://www.enterohealthcare.com/>

This platform serves as a comprehensive source where customers and stakeholders can explore details about the Company's range of healthcare, pharmaceuticals, surgical and other allied products and services.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

As the Company and its subsidiaries operate in the B2B sector, there is no requirement for mechanisms to inform consumers of any risk of disruption or discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company and its subsidiaries operate as a wholesale distributor of healthcare, pharmaceuticals, surgical and other allied products in the B2B sector, doesn't typically display product information directly to consumers. Further, we have few private label surgical products where we display the information as mandated under the local laws. Furthermore, no surveys have been conducted regarding consumer satisfaction.

INDEPENDENT AUDITOR'S REPORT

To the Members of **Entero Healthcare Solutions Limited**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Entero Healthcare Solutions Limited (formerly known as "Entero Healthcare Solutions Private Limited") ("the Company") which comprise the Standalone Balance Sheet as at 31st March, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Revenue recognition</p> <p>Revenue is recognised on transfer of control of goods to the customers at the point in time when the goods are delivered. Revenue is one of the key performance indicators for the Company and may be subject to stakeholder expectations. We recognise the risk of “revenue recognition” in an inappropriate period due to the time lag between recognition and delivery, especially in case of transactions undertaken towards the end of the period. Consequently, we have identified “revenue recognition” as a Key Audit Matter.</p>	<p>Our audit procedures in respect of this area are as set out below:</p> <ol style="list-style-type: none"> 1. Reviewed appropriateness of the Company’s accounting policies for revenue recognition in view of the requirements of the applicable Financial Reporting Framework (IND AS 115); 2. Obtained an understanding of the systems, processes and controls implemented by the Company around the “revenue recognition” process; 3. Evaluated the design effectiveness of the key controls with respect to the “revenue recognition” process and tested the operating effectiveness of these controls; 4. Tested the design and operating effectiveness of the Information Technology General Controls by involving IT Specialists of the software applications used by the Company for recording the “revenue” transactions. 5. Performed substantive tests by selecting samples of revenue transactions (statistical sampling) recognised during the year by verifying the underlying documents; 6. Tested periodic reconciliations of taxes collected on revenue recognised and payments thereof during the year with the statutory filings (Goods and Service Tax challans and returns); 7. Specifically verified transactions undertaken at the end of the year (before as well as after the year-end) to identify unusual adjustments to revenue, if any; 8. Performed analytical procedures on “revenue recognised” during the year to identify unusual variances, if any; 9. Reviewed the adequacy of disclosures in respect of revenue in the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the Management report, Chairman’s statement, Director’s report, Business Responsibility and Sustainability Reporting but does not include the standalone financial statements and our auditor’s report thereon. The Management report, Chairman’s statement, Director’s report, Business Responsibility and Sustainability Reporting is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the Director’s report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 ‘The Auditor’s responsibilities Relating to Other Information’.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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, the Management and Those Charged with Governance 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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 Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (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 does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has

come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. The reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 is applicable from 1st April, 2023.

Based on our examination, the Company has used a software application for revenue, billing and receivables, purchases and payables and inventory management during the year-ended 31st March, 2024, which has a feature of recording the audit trail (edit log) facility. The same has been enabled at application as well as database level except that the database did not capture complete log of changes, wherein, it did not capture one particular characteristic of the changes made.

Further, the audit trail feature operated throughout the year for all relevant transactions recorded in the software application, except for the log of one particular characteristic of the changes made during the year for all relevant transactions recorded therein. Also, during the course of our examination, we did not come across any instance of the audit trail feature being tampered with. (Refer note 56(xii) to the financial statements)

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors during the year, is within the limits prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 24049902BKCREY5300

Place: Mumbai

Date: 29th May, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ENTERO HEALTHCARE SOLUTIONS LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 for the year ended 31st March, 2024, 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare
Partner
Membership No. 049902
UDIN: 24049902BKCNEY5300

Place: Mumbai
Date: 29th May, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ENTERO HEALTHCARE SOLUTIONS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of Right-of-Use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a planned programme of physical verification of Property, Plant and Equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance therewith the Company has physically verified a few blocks of assets in the current year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties. Accordingly, the requirements under paragraph 3(i) (c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i) (d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder.
- ii. (a) Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- (a) The Company has a process of physical verification of inventory whereby all items of inventory are physically verified on a monthly basis. Discrepancies, if any between physical inventory and book records are adjusted in the books as and when the verifications and corresponding reconciliations are carried out. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories. Confirmation has been received in respect of inventory lying with third party.
- (b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order are not applicable to the Company.
- iii. (a) A. According to the information and explanations given to us and on the basis of our examination of the records, the Company has provided loans and stood guarantee to the subsidiaries, during the year.
- The Company has not given any advances in the nature of loans or provided any security to the subsidiaries during the year.
- The Company does not have any joint ventures or associate companies.

Requisite information of the loans granted and guarantees given to subsidiaries are as follows:

(₹ in million)

Particulars	Loans	Guarantees
Aggregate amount granted/provided during the year		
- Subsidiaries	4,298.51	4,777.00
Balance Outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	5,891.00	4,777.00

- B. The Company has not provided loans, advances in the nature of loans, guarantees or security to any parties other than subsidiaries. The Company does not have any joint ventures or associate companies.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made, guarantees provided and the terms and conditions of the grant of loans are prima facie not prejudicial to the interests of the Company. The Company has not granted any advances in the nature of loans or provided any security to any party during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given to companies, the principal and interest are repayable on demand. As informed to us, the borrowers have been regular in repayment of principal and interest as demanded by the Company during the year. Further,

the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans granted to subsidiaries. The Company has not granted loans to Firms, Limited Liability Partnerships or any other parties during the year.
- (e) According to the information and explanations provided to us, the loans granted have not fallen due during the year. Hence, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations provided to us, the Company has granted loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

(₹ in million)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans			
- Repayable on demand (A)	5,891.69	-	5,891.00
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	5,891.69	-	5,891.00
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	99.99%

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments and guarantees made during the year, as applicable.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order are not applicable to the Company. Also, there are no amounts outstanding as on 31st March, 2024, which are in the nature of deposits.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii. (a) The Company does not have liability in respect of Service Tax, Duty of Excise, Sales Tax and Value Added Tax during the year since effective 1st July, 2017, these statutory dues have been subsumed into GST.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there have been slight delays in a few cases.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted for in the books of accounts which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there is no previously unrecorded income which has been now recorded in the books of account. Hence, the provisions stated in paragraph 3(viii) of the Order are not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to the lenders.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any joint ventures or associate Companies.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiaries as per details below. Further, the Company has not defaulted in repayment of such loans raised.

(₹ in million)

Nature of loan taken	Name of Lender (Bank/NBFC/ Corporate etc.)	Amount of loan	Name of subsidiaries	Relation	Details of security pledged
Secured, Unlisted, Redeemable, Non-Convertible Debentures	True North Credit Opportunities Fund I	450	<ul style="list-style-type: none"> Saurashtra Medisolutions Pvt Ltd SVS Lifescience Pvt Ltd SS Pharma Traders Pvt Ltd 	Subsidiary	Equity Shares
Secured Unlisted, Redeemable, Non-Convertible Debentures	Incred Credit Opportunities Fund I	450	<ul style="list-style-type: none"> Atreja Healthcare Solutions Pvt Ltd City Pharma Distributors Pvt Ltd Swami Medisolutions Pvt Ltd 	Subsidiary	Equity Shares

- x. (a) In our opinion and according to the information and explanations given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, though surplus funds which were not required for immediate utilization have been invested. The maximum amount of surplus funds invested during the year was ₹ 6,406.10 million which was outstanding at the end of the year. Further, no monies were raised during the year by way of further public offer (including debt instruments).
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of compulsory convertible preference shares during the year and the requirements of Section 62 of the Companies Act, 2013, have been complied with. The amount raised has been used for the purposes for which they were raised. The Company has not issued any fully, partly, or optionally convertible debentures. Further, the Company has not made private placement of shares during the year and accordingly the requirements of Section 42 of the Companies Act, 2013, are not applicable.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations

given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the year in the course of our audit.

- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi) (b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors, for the period under audit, issued till the date of our audit report.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi) (c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has incurred cash losses amounting to ₹ 55.54 million during the immediately preceding financial year but has not incurred any cash losses during the current financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 55 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. However, the Company does not have adequate profits as computed under section 198 of the Companies Act, 2013 and hence, the Company is not required to spend any amounts during the current financial year for Corporate Social Responsibility. Accordingly, reporting under Clause 3(xx) (a) and Clause 3(xx)(b) of the Order are not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare
Partner
Membership No. 049902
UDIN: 24049902BKCNEY5300

Place: Mumbai
Date: 29th May, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ENTERO HEALTHCARE SOLUTIONS LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of ENTERO HEALTHCARE SOLUTIONS LIMITED on the Financial Statements for the year ended 31st March, 2024]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of ENTERO HEALTHCARE SOLUTIONS LIMITED as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2024, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

MANAGEMENTS' AND THOSE CHARGED WITH GOVERNANCE RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Those Charged With Governance are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including

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

For **MSK A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 24049902BKCREY5300

Place: Mumbai

Date: 29th May, 2024

Standalone Balance Sheet as at 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	171.90	202.35
Right to use assets	5	138.73	166.37
Other Intangible assets	6	33.80	37.79
Intangible asset under development	7	-	-
Financial assets			
Investments in Subsidiaries	8	405.38	406.40
Other financial assets	9	109.26	36.48
Deferred tax asset (net)	10	140.40	-
Non current tax assets (net)	11	76.51	56.26
Total non-current assets		1,075.98	905.64
Current assets			
Inventories	12	478.06	288.41
Financial assets			
Trade receivables	13	1,131.86	744.80
Cash and cash equivalents	14	933.39	61.15
Bank balances other than cash and cash equivalent	15	6,990.13	710.70
Loans	16	5,891.69	4,143.93
Other financial assets	17	934.23	500.42
Other current assets	18	250.49	280.61
Total current assets		16,609.85	6,730.02
Total assets		17,685.83	7,635.66

Standalone Balance Sheet as at 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	434.94	41.12
Instrument entirely equity in nature	20	-	6,636.14
Other equity	21	15,829.19	(839.94)
Total equity		16,264.13	5,837.32
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	-	280.00
Lease liabilities	23	129.51	161.87
Provisions	24	13.95	10.43
Total non-current liabilities		143.46	452.30
Current liabilities			
Financial liabilities			
Borrowings	22	-	635.00
Lease liabilities	23	46.88	38.85
Trade payables	25		
i) Total outstanding dues of micro enterprises and small enterprises		4.82	1.18
ii) Total outstanding dues of creditors other than micro enterprise and small enterprise		644.17	556.29
Other financial liabilities	26	506.65	70.78
Other current liabilities	27	59.24	30.59
Provisions	24	16.48	13.35
Total current liabilities		1,278.24	1,346.04
Total liabilities		1,421.70	1,798.34
Total equity and liabilities		17,685.83	7,635.66

See accompanying notes to the standalone financial statements

1-57

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

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Mumbai

29th May, 2024

For and on behalf of the Board of Directors

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Mumbai

29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Mumbai

29th May, 2024

Standalone Statement of Profit and Loss for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income			
Revenue from operations	28	3,181.61	1,776.90
Other income	29	899.25	525.66
Total income		4,080.86	2,302.56
Expenses			
Purchase of Stock-in-trade	30	2,885.03	1,471.44
Changes in inventories of Stock-in-trade	31	(189.65)	73.88
Employee benefits expense	32	562.46	435.94
Finance costs	33	223.18	113.04
Depreciation and amortization expense	34	87.48	98.01
Other expenses	35	268.71	234.80
Total expenses		3,837.21	2,427.11
Exceptional items		-	-
Profit/(loss) before tax		243.65	(124.55)

Standalone Statement of Profit and Loss for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Tax expense			
Current tax	36	-	-
Deferred tax (credit)/charge	36	(140.75)	-
Total income tax expense/(Income)		(140.75)	-
Profit/(loss) for the year		384.40	(124.55)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefit plan		1.40	0.96
Income tax effect		(0.35)	-
Total		1.05	0.96
Other comprehensive income for the year, net of tax		1.05	0.96
Total comprehensive expense for the year		385.45	(123.59)
Earning/Loss per share	37		
Basic (₹)		10.63	(0.19)
Diluted (₹)		10.63	(0.19)

See accompanying notes to the standalone financial statements

1-57

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

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
Firm's Registration No: 105047W

Vaijayantimala Belsare
Partner
Membership No: 049902

Mumbai
29th May, 2024

For and on behalf of the Board of Directors
Entero Healthcare Solutions Limited
CIN: L74999HR2018PLC072204

Prabhat Agrawal
Managing Director & CEO
DIN: 07466382

Jayant Prakash
Company Secretary
Membership No: FCS-6742
Mumbai
29th May, 2024

Prem Sethi
Whole Time Director & COO
DIN: 07077034

CV Ram
Chief Financial Officer
Membership No: 206013
Mumbai
29th May, 2024

Standalone Statement of changes in equity for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1st April, 2022	38.50
Add: issued during the year	2.62
Balance as at 31st March, 2023	41.12
Balance as at 1st April, 2023	41.12
Add: Issued during the year through initial public offer	79.51
Add: CCPS converted to equity share of face value ₹ 10	314.32
Balance as at 31st March, 2024	434.95

(B) OTHER EQUITY

Particulars	Instruments entirely equity in nature	Reserve and surplus			Total equity attributable to owners
		Retained earnings	Security Premium Reserve	Employee Stock option reserve	
As at 1st April, 2022	6,189.90	(716.35)	-	-	5,473.55
Changes during the year					
Issued during the year	446.24	-	-	-	446.24
Profit/(Loss) for the year	-	(124.55)	-	-	(124.55)
Other comprehensive income for the year	-	0.96	-	-	0.96
As at 31st March, 2023	6,636.14	(839.94)	-	-	5,796.20
As at 1st April, 2023	6,636.14	(839.94)	-	-	5,796.20
Changes during the year					
Issue of series A5 compulsory convertible preference shares	509.85	-	-	-	509.85
Conversion of compulsory convertible preference shares (series A1, A2, A3, A4 and A5)	(7,145.98)	-	-	-	(7,145.98)
Security premium on conversion of series A1, A2, A3, A4 and A5 compulsory convertible preference shares.	-	-	6,831.67	-	6,831.67
Security premium on issue of shares through initial public offer	-	-	9,920.49	-	9,920.49
Profit for the year	-	384.40	-	-	384.40
Employee stock option scheme compensation	-	-	-	17.67	17.67
Security premium utilised to write off the share issue expenses	-	-	(486.15)	-	(486.15)
Other comprehensive income for the year	-	1.05	-	-	1.05
Total	0.00	(454.50)	16,266.01	17.67	15,829.20
As at 31st March, 2024	0.00	(454.50)	16,266.01	17.67	15,829.20

See accompanying notes to the standalone financial statements 1-57

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

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Mumbai
29th May, 2024

For and on behalf of the Board of Directors

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Mumbai
29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Mumbai
29th May, 2024

Standalone statement of cash flows for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash flow from operating activities		
Profit before tax	243.65	(124.55)
Adjustments for:		
Depreciation and amortization expenses	87.48	98.01
Finance costs	223.18	113.04
Interest income	(709.03)	(513.85)
Interest income on income tax refund	(2.32)	-
Provision for expected credit loss	3.22	7.68
Commission income on corporate guarantee	(4.33)	-
Profit on sale of property, plant and equipment	(0.20)	-
Employee stock option expenses	17.67	-
	(140.68)	(419.67)
Changes in working capital		
(Increase)/decrease in inventories	(189.65)	73.88
(Increase) in trade receivables	(390.28)	(230.18)
(Increase) in other financial assets	(202.78)	(161.46)
Decrease/(Increase) in other current assets	30.12	(16.12)
Increase in trade payables	91.52	209.98
Increase/ (decrease) in other financial liabilities	25.28	(0.28)
Increase/ (decrease) in other current liabilities	29.85	(6.41)
Increase in provisions and employee benefits	8.05	6.48
Cash (used) in operations	(738.57)	(543.78)
Income tax paid (net)	(17.93)	(25.31)
Net cash flows (used) in operating activities (A)	(756.50)	(569.09)
Cash flow from investing activities		
Investment in subsidiaries	(0.18)	(12.10)
Loans given to related party	(1,747.76)	(947.47)
Purchase of property, plant and equipment, including movement in CWIP and capital advances	(10.41)	(5.23)
Proceeds from sale of property, plant and equipment	1.34	-
Net fixed deposit having maturity more than three months with bank placed	(6,316.05)	(130.29)
Commission income on corporate guarantee	4.33	-
Interest received	441.83	512.18
Net cash flow (used) in investing activities (B)	(7,626.90)	(582.91)
Cash flow from financing activities		
Proceeds from issue of equity share capital	10,000.00	2.61
Proceeds from issue of compulsory convertible preference shares	509.85	446.24
Share issue expenses	(73.72)	-
Proceeds from long term borrowings	175.00	615.00
(Repayment of)/ proceeds from borrowings	(1,090.00)	-
Proceeds from issue of non convertible debentures	900.00	-
Redemption of non convertible debentures	(900.00)	-
Principal payment of lease liabilities	(42.32)	(39.68)
Finance costs paid	(223.18)	(113.04)
Net cash generated from financing activities (C)	9,255.64	911.13
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	872.24	(240.87)

Standalone statement of cash flows for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash and cash equivalents at the beginning of the year	61.15	302.02
Cash and cash equivalents at the end of the year	933.39	61.15
Cash and cash equivalents comprise (Refer note 14)		
Balances with banks		
In current accounts	777.75	61.11
Fixed deposits with maturity of less than 3 months	155.45	-
Cash on hand	0.19	0.04
Total cash and bank balances at end of the year	933.39	61.15

Reconciliation of the movements of liabilities to cash flows arising from financing activities.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening balance		
Borrowings	635.00	300.00
Total	635.00	300.00
Movement		
Cash flows - borrowings	(635.00)	335.00
Interest expenses	199.04	83.79
Interest paid	(199.04)	(83.79)
Closing Balance		
Borrowings	-	635.00
Interest accrued and due on borrowings	-	-
Total	-	635.00

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition).

See accompanying notes to the standalone financial statements 1-57

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

As per our report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Mumbai

29th May, 2024

For and on behalf of the Board of Directors

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Mumbai

29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Mumbai

29th May, 2024

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 1 COMPANY INFORMATION:

Entero Healthcare Solutions Limited (the "Company") (formerly known as Entero Healthcare Solutions Private Limited) is a public limited company incorporated in India on 10th January, 2018 having its registered office at Plot No. I-35, Building -B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad, Haryana.

The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on 16th February, 2024. The Company is in the business of distribution, marketing of pharmaceutical products, surgical products and other allied services.

NOTE 2 BASIS OF PREPARATION, MEASUREMENT

Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared on an accrual basis of accounting and on a going concern basis.

Basis of Measurement

These financial statements have been prepared on a historical cost convention, except for the following material items which are measured on an alternative basis, required by relevant Ind AS, on each reporting date:-

- Certain Financial assets are measured at fair value (refer accounting policy on financial instruments);
- Employee's net Defined Benefit (assets/liability) as per actuarial valuation; and
- Liabilities for Share-based payments arrangements.

These Standalone financial statements comprise the Balance Sheet at 31st March, 2024, the Statement of profit and loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended 31st March, 2024 and 31st March, 2023;

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone financial statements are approved by the Board of Directors on **29th May, 2024**.

The Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Use of Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates and judgements that affect the Company's accounting policies and the reported amounts of assets and liabilities at the Balance Sheet date, reported amounts of Revenue and Expenses for the year and disclosure of Contingent liabilities at the Balance Sheet date. The estimates and Judgements used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized prospectively in the year in which the estimates are revised and in any future years affected.

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements, is included in the following notes:

- Note (38(VII)): Assumptions and estimates uncertainties: Measurement of Defined benefit Obligations: Actuarial assumptions.
- Note (10): recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and carried forward tax losses can be utilized.
- Note (41): Impairment of intangible assets: Key assumptions underlying recoverable amounts.
- Note(39): Recognition and measurement of provisions and contingencies: Key assumptions about the likelihood and magnitude of an outflow of resources embodying economic benefits.
- Note(44(A(i))): measurement of Expected Credit Loss (ECL) allowance for trade receivable and loans: Key assumptions in determining the weighted average loss rate.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Fair value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized into different levels within the fair value hierarchy, described as follows, based on the level of inputs used in the valuation techniques as set out below.

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ▶ Level 2 – inputs other than quoted prices included in level one and Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is based on unobservable market data.

Current and non-current classification

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

Assets

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

- it is expected to be realised in, or intended for sale or consumption in, the Company's normal operating cycle, which is defined to be of twelve months.
- it is held primarily for the purpose of being traded;

- it is expected to be realised within 12 months after the balance sheet date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

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

Liabilities

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

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

Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

NOTE 3 MATERIAL ACCOUNTING POLICIES

3.1 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of Property, Plant and Equipment is recognized as an asset if and only if, it is probable that future economic benefits associated with the item, will flow to the Company and the cost item can be measured reliably.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises its purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the company are deducted in arriving at the purchase price.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that the future economic benefits associated with that expenditure will flow to the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of the Property, Plant and Equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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.

Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is calculated on the cost of items thereof less their estimated residual values, on straight-line method over their respective estimated useful lives, which is in line with the estimated useful lives as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Leasehold Improvement*	Lease Period
Computer and peripherals	3-6
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Plant and Machineries	15
Electrical Installations and Equipment	10

**Leasehold improvements are amortized over the period of the lease or useful life whichever is lower.*

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date

of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

3.2 OTHER INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use which includes any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the company are deducted in arriving at the purchase price.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over their estimated useful economic lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization period applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5-10

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

3.3 REVENUE RECOGNITION

Revenue from Sale of Goods

Revenue is recognized upon transfer of control of promised goods to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable. Revenue also excludes taxes collected from customers.

Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery.

Invoices are usually payable based on the credit terms agreed with customers which vary up to 90 days.

Other Income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists. Revenue from business support charges is recognized on accrual basis as per the terms and conditions of the underlying contract.

Marketing Support

Marketing support income is recognised upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

3.4 TAXES

Income tax expense comprises current and deferred tax. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

a) Current Income Tax:

Current tax comprises the expected tax payable or receivable on taxable income or loss for the year

and any adjustment to the tax payable or receivable in respect of the previous years. Current tax Assets and liabilities represents the best estimates of the amounts expected to be recovered or paid to the taxation authorities. The Tax Laws and Tax rates used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset the recognized balances and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profit improve.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

3.5 INTANGIBLE ASSET UNDER DEVELOPMENT

The Company capitalises intangible assets under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

3.6 LEASES

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At commencement or on modification of the contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative standalone prices. However, for the leases of property the company has elected not to separate non lease component and account for the lease and non lease components as a single lease component.

The Company recognises right-of-use asset and lease liability representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset and restoring the site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset whichever is earlier. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and in the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

For leases with reasonably similar characteristics, the Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use asset and lease liability for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.7 INVENTORIES

The inventory comprises traded goods which are stated at the lower of cost and net realisable value. Cost of inventory of traded goods is arrived at based on actual cost of the "batch" which comprises cost of purchase and all other costs incurred in bringing the inventories to their present location and condition.

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

Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

3.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a Company of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of profit and loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the

previously recognised impairment loss is reversed through Statement of profit and loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are accompanied together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "Cash-Generating Unit" - CGU).

3.9 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized 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 in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources embodying economic benefits or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

3.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash on hand, cash at banks and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Cash and cash equivalents for the purposes of cash flow statement comprise cash on hand and cash at banks and short-term investments with an original maturity of three months.

3.11 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.

(A) Financial assets

(i) Recognition and Initial measurement

At initial recognition, financial asset is measured at its fair value plus or minus, in the case of a financial asset not "at fair value through profit or loss" are measured at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

(ii) Classification and subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the related cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely

payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amounts are taken through Other Comprehensive Income ('OCI'), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss and recognized in other gains/ (losses). Interest income from these financial assets is included in "Other income" using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through statement of profit and loss. Interest and dividend income from these financial assets is included in "Other income". Net gains and losses, including any interest or dividend income are recognized in statement of profit and loss.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value in other comprehensive income. 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 FVOCI, 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 statement of profit and loss, even on sale of investment. However, the Company 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.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

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 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 etc.) 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.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 90 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- the right to receive cash flows from the financial asset is transferred or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(B) Financial liabilities

(i) Recognition and Initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. 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 amortization is included as finance costs in the Statement of profit and loss.

(iii) Derecognition of Financial liability

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

(C) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(D) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability 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.

3.12 EMPLOYEE BENEFITS

(a) 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 year in which the employees render the related service are recognized in respect of employees' services up to the end of the year 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.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of profit and loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

from the contributions made on a monthly basis which are charged to the statement of profit and loss.

The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined Benefit Plans

Gratuity: The Company provides for gratuity, a defined benefit plan (covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond

12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

3.13 FOREIGN CURRENCY TRANSACTIONS

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of profit and loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.14 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average numbers of equity shares are

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

3.15 SHARE BASED PAYMENTS

Share-based compensation benefits are provided to the employees via the Share based long term incentive scheme.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense

recognized for equity-settled transactions at each reporting date until the vesting date represents the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Expense or credit recorded in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

NOTE 4 RECENT INDIAN ACCOUNTING STANDARDS (IND AS) AND PRONOUNCEMENTS

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

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 5 PROPERTY, PLANT AND EQUIPMENT*									
Particulars	Gross Block			Depreciation			Net block		
	As at 1st April, 2023	Additions	Deductions	As at 1st April, 2023	For the year	Deductions	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2024
Leased assets									
Right to Use Asset (Refer note 46)	292.59	16.14	-	126.22	43.78	-	170.00	138.73	
Owned assets									
Plant and machineries	44.67	-	0.08	14.43	4.75	0.02	19.16	25.43	
Electrical Installations	67.61	0.36	0.03	67.93	5.63	0.01	27.68	40.25	
Furniture and fixtures	65.11	0.70	1.30	64.51	5.41	0.53	26.16	38.36	
Office equipment	14.22	0.05	0.05	14.23	1.84	0.03	11.24	2.99	
Computer and peripherals	26.69	4.66	0.30	31.06	4.36	0.04	22.23	8.82	
Vehicles	5.10	-	-	5.10	0.60	-	2.55	2.55	
Leasehold improvements	129.46	4.63	-	134.08	17.13	-	80.59	53.49	
Total	645.45	26.54	1.76	276.74	83.50	0.63	359.61	310.62	
Particulars	Gross Block			Depreciation			Net block		
	As at 1st April, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 1st April, 2022	For the year	Deductions/ Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2023
Leased assets									
Right to Use Asset (Refer note 46)	322.52	7.89	(37.82)	292.59	44.48	(14.48)	126.22	166.37	
Owned assets									
Plant and machineries	45.85	0.04	(1.22)	44.67	7.20	(0.23)	14.43	30.24	
Electrical Installations	67.98	0.10	(0.48)	67.61	6.44	(0.15)	22.06	45.55	
Furniture and fixtures	66.57	0.12	(1.58)	65.11	6.25	(0.50)	21.28	43.83	
Office equipment	14.49	0.07	(0.34)	14.22	2.73	(0.21)	9.43	4.79	
Computer and peripherals	23.55	3.23	(0.09)	26.69	4.95	(0.09)	17.91	8.78	
Vehicles	5.10	-	-	5.10	0.61	-	1.95	3.15	
Leasehold improvements	125.59	3.94	(0.06)	129.46	18.91	(0.02)	63.46	66.00	
Total	671.65	15.39	(41.59)	645.46	91.83	(15.68)	276.74	368.71	

**The Property, Plant and Equipment was pledged as security against certain term loans taken by the Company, which were fully paid-off before the end of the year.

* There is no capital work in progress as at 31st March, 2024 and 31st March, 2023.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 6 OTHER INTANGIBLE ASSETS

Particulars	Gross Block		Amortization		Net block	
	As at 1st April, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
Computer Software	50.87	-	-	50.87	13.09	33.80
Total	50.87	-	-	50.87	13.09	33.80

Particulars	Gross Block		Amortization		Net block	
	As at 1st April, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2023	As at 1st April, 2022	As at 31st March, 2023
Computer Software	50.06	0.81	-	50.87	6.91	37.79
Total	50.06	0.81	-	50.87	6.91	37.79

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 7 INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	-	0.54
Add : Additions during the year	-	-
Less: Capitalized during the year	-	0.54
Closing Balance	-	-

There are no intangible asset under development at 31st March, 2024 and 31st March, 2023.

NOTE 8 INVESTMENTS IN SUBSIDIARIES

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No of shares	Value	No of shares	Value
Unquoted equity shares measured at cost (fully paid up)				
G.S.Pharmaceutical Distributors Private Limited	36,00,000	36.00	36,00,000	36.00
Novacare Healthcare Solutions Private Limited	1,10,00,000	110.00	1,10,00,000	110.00
Getwell Medicare Solution Private Limited	68,00,000	68.00	68,00,000	68.00
Galaxystar Pharma Distributors Private Limited	10,00,000	57.90	10,00,000	57.90
Chhabra Healthcare Solutions Private Limited	10,000	35.00	10,000	35.00
RSM Pharma Private Limited	15,00,000	47.70	15,00,000	47.70
Sundarlal Pharma Distributors Private Limited	10,00,000	32.90	10,00,000	32.90
Avenues Pharma Distributors Private Limited	10,000	0.10	10,000	0.10
Chirag Medicare Solutions Private Limited	1,00,000	1.00	1,00,000	1.00
Jaggi Enterprises Private Limited	10,000	0.10	10,000	0.10
Chethana Healthcare Solutions Private Limited	1,00,000	1.00	1,00,000	1.00
Vasavi Medicare Solutions Private Limited	10,000	0.10	10,000	0.10
SVMED Solutions Private Limited	10,000	0.10	10,000	0.10
Chethana Pharma Private Limited	3,00,000	3.00	3,00,000	3.00
Millennium Medisolutions Private Limited	10,000	0.10	10,000	0.10
Rada Medisolutions Private Limited	10,000	0.10	10,000	0.10
Sesha Balajee Medisolutions Private Limited	10,000	0.10	10,000	0.10
Barros Enterprises Private Limited	10,000	0.10	10,000	0.10
Chethana pharma Distributors Private Limited	10,000	0.10	10,000	0.10
Sree Venkateshwara Medisolutions Private Limited	10,000	0.10	10,000	0.10
CPD Pharma Private Limited	10,000	10.10	10,000	10.10
Calcutta Medisolutions Private Limited	10,000	0.10	10,000	0.10
Curever Pharma Private Limited	10,000	0.10	10,000	0.10
Rimedio Pharma Private Limited	10,000	0.10	10,000	0.10

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Quomed Life Sciences Private Limited	10,000	0.10	10,000	0.10
Atreja Healthcare Solutions Pvt Ltd	10,000	0.10	10,000	0.10
Western Health Care Solutions Private Limited	15,000	0.15	15,000	0.15
City Pharma Distributors Private Limited	10,000	0.10	10,000	0.10
Zenex Software Solutions Private Limited	10,000	0.10	10,000	0.10
Swami Medisolutions Private Limited	10,000	0.10	10,000	0.10
New RRPD Private Limited	10,000	0.10	10,000	0.10
New Siva Agencies Private Limited	10,000	0.10	10,000	0.10
Sri Parshva Pharma Distributors Private Limited	10,000	0.10	10,000	0.10
Sri Rama Pharmaceutical Distributors Private Limited	5,000	0.05	5,000	0.05
Saurashtra Medisolutions Private Limited	10,000	0.10	10,000	0.10
SVS Lifesciences Private Limited	10,000	0.10	10,000	0.10
S.S. Pharma Traders Private Limited	10,000	0.10	10,000	0.10
Entero R.S Enterprises Private Limited	10,000	0.10	-	-
Dhanvanthri Super Speciality Private Limited	80,000	0.08	-	-
Guarantee Commission	-	-	-	1.20
Total (equity instruments)	2,57,70,000	405.38	2,56,80,000	406.40

NOTE 9 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good)		
Security Deposits (at amortised cost)	58.63	22.48
In Deposit accounts with maturity for more than 12 months*	50.63	14.00
Total	109.26	36.48

*Includes Rs. 50.63 million (31st March, 2023: 14.00 million) margin money deposits placed against bank/corporate guarantee given for term loans and cash credit facilities availed by subsidiary companies (refer note 22).

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 10 DEFERRED TAX ASSETS/(LIABILITIES) (NET)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax asset on account of:		
Property, plant and equipment	3.68	1.10
Expenses provided but allowable in Income Tax on payment basis	-	2.49
Right of use asset and lease liability adjustment	11.36	10.55
Gratuity & Leave Encashment	7.91	6.18
Expected Credit Loss	4.67	3.83
Unabsorbed depreciation and carry forward losses	114.12	204.61
Deferred tax liability on account of:		
Expenses provided but allowable in Income Tax on payment basis	(1.34)	-
Net deferred tax assets(Liabilities)	140.40	228.76
Net deferred tax assets recognized	140.40	-
Net deferred tax assets not recognized	-	228.76

NOTE 10 (A): SUMMARY OF DEFERRED TAX ASSETS/(LIABILITIES)

Particulars	As at 1st April, 2023	(Charged)/ Credited to P&L	(Charged)/ Credited to OCI	As at 31st March, 2024
Property, plant and equipment	-	3.68	-	3.68
Expenses provided but allowable in Income Tax on payment basis	-	(1.34)	-	(1.34)
Right of use asset and lease liability adjustment	-	11.36	-	11.36
Gratuity & Leave Encashment	-	8.27	(0.35)	7.91
Expected Credit Loss	-	4.67	-	4.67
Unabsorbed depreciation and carry forward losses	-	114.12	-	114.12
Net deferred tax assets/(liability)	-	140.75	(0.35)	140.40

The Company has the following unrecognised net deferred tax assets as at year/period end:

Particulars	As at 31st March, 2023
Unabsorbed depreciation and carry forward losses	204.61
Other deferred tax assets	24.15
Deferred Tax Liability	-
Net deferred tax assets/(liability)*	228.76

*No deferred tax asset has been recognised at 31st March, 2023 as it is not reasonably certain that sufficient taxable income will be available in the foreseeable future against which deferred tax asset can be utilised.

The Company has recognised deferred tax asset on carry forward losses, unabsorbed depreciation and other temporary differences. During the current year, the Company has reported profits before taxes. Also, based on the estimates of future taxable profits as at 31st March, 2024, the management is certain that reasonable certainty exist that the Company will earn sufficient taxable profits which then will be utilized against the available tax losses.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 11 NON CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance income tax	76.51	56.26
Total	76.51	56.26

NOTE 12 INVENTORIES*

Particulars	As at 31st March, 2024	As at 31st March, 2023
At lower of cost and net realizable value		
Stock in trade	478.06	288.41
Total	478.06	288.41

*The Inventories were pledged as security against certain term loans take by the Company, which were fully paid-off before the end of the year.

NOTE 13 TRADE RECEIVABLE

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
- Considered good	1,131.86	744.80
- Considered doubtful	17.97	14.75
	1,149.83	759.55
Less:- Expected loss allowances	(17.97)	(14.75)
Total	1,131.86	744.80
Further classified as:		
Receivable from related parties (Refer note 45)	624.29	235.76
Receivable from others	507.57	509.04
	1,131.86	744.80

The movement in allowance for expected credit loss is as follows:-

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	14.75	7.07
Change in allowance for expected credit loss during the year	3.22	7.68
Write off during the year	-	-
Closing Balance	17.97	14.75

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Trade receivables ageing schedule

As at 31st March, 2024

Particulars/ year	Less Than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivable - Considered Good	1,007.33	66.70	54.93	2.91	-
(ii) Undisputed Trade Receivable -Which have significant increase in credit risk					
(iii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-
(iv) Undisputed Trade Receivable - Considered Doubtful	0.44	3.72	-	0.83	12.97
(v) Disputed Trade Receivable - Considered Good	-	-	-	-	-
(vi) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-
Less: Allowance for expected credit loss	(0.44)	(3.72)	-	(0.83)	(12.97)
Total	1,007.33	66.70	54.93	2.91	-

Trade receivables ageing schedule

As at 31st March, 2023

Particulars/ year	Less Than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivable - Considered Good	638.31	66.61	38.87	1.01	-
(ii) Undisputed Trade Receivable -Which have significant increase in credit risk					
(iii) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-
(iv) Undisputed Trade Receivable - Considered Doubtful	-	-	0.94	9.26	4.55
(v) Disputed Trade Receivable - Considered Good	-	-	-	-	-
(vi) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	(0.94)	(9.26)	(4.55)
Total	638.31	66.61	38.87	1.01	-

There are no unbilled at the year end .

NOTE 14 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks:		
In current accounts*	777.75	61.11
Fixed deposits with maturity of less than 3 months**	155.45	-
Cash on hand	0.19	0.04
Total	933.39	61.15

* The cash and cash equivalents balance includes an amount of Rs. 477.94 million held with HDFC bank (Public Issue Account).

**Refer note 49 for fixed deposit and balance with banks placed out of IPO proceeds.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date*	6,990.13	710.70
Total	6,990.13	710.70

*Notes

- Includes ₹ 584.52 million (31st March, 2023: ₹ 710.70 million) fixed deposits placed against bank/corporate guarantee given for term loans and cash credit facilities availed by subsidiary companies (refer note 22).
- Refer note 49 for fixed deposit and balance with banks placed out of IPO proceeds.

NOTE 16 CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Loans to related party (Refer Note 45)*	5,891.00	4,143.21
Loans to others	0.69	0.72
Total	5,891.69	4,143.93

*Loan granted which are repayable on demand

Type of Borrowers	Amount of loan or advances in the nature of loan outstanding 31st March, 2024	% to the total loan and advances in the nature of loan 31st March, 2024	Amount of loan or advances in the nature of loan outstanding 31st March, 2023	% to the total loan and advances in the nature of loan 31st March, 2023
Promoters	-	-	-	-
Directors	-	-	-	-
Key managerial Personnel ("KMP")	-	-	-	-
Related Parties (Loan to subsidiaries)	5,891.00	99.99%	4,143.21	99.98%
Total	5,891.00	99.99%	4,143.21	99.98%

NOTE 17 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on ICD (Refer note 45)	692.93	452.66
Interest receivable – on FD	39.09	13.91
Other receivables*	202.21	33.85
Total	934.23	500.42

*Other receivables includes amount receivable from related parties (Refer Note 45)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 18 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance to suppliers	6.49	15.19
Balance with government authorities	205.07	197.51
Prepaid Expenses	33.85	53.13
Staff advance	2.38	1.53
Provision for purchase return	2.69	13.25
Total	250.48	280.61

NOTE 19 EQUITY SHARE CAPITAL

a. Authorised Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
74,570,000 (31st March, 2023: 4,570,000) Equity Shares of ₹ 10 each	745.70	45.70
Total	745.70	45.70

b. Issued, Subscribed and Paid-up:

Particulars	As at 31st March, 2024	As at 31st March, 2023
43,493,767 (31st March, 2023: 4,111,527) Equity Shares of ₹ 10 each	434.94	41.12
Total	434.94	41.12

c. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	41,11,527	41.12	38,50,200	38.50
Add: Alloted during the year pursuant to rights issue	-	-	2,61,327	2.62
Add: Alloted during the year pursuant to Fresh Issue	79,50,569	79.50	-	-
Add: Alloted during the period pursuant to conversion of CCPS into Equity	3,14,31,671	314.32		
Outstanding at the end of the year	4,34,93,767	434.94	41,11,527	41.12

d. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. 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 shareholder.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Mr. Prabhat Agrawal	40,28,395	9.26%	27,33,756	66.49%
Mr. Prem Sethi	22,39,842	5.15%	13,77,557	33.50%
Orbimed Asia III Mauritius Limited	1,65,38,929	38.03%	107	0.00%
Prasid Uno Family Trust	69,50,320	15.98%	-	0.00%
Clsa Global Markets Pte. Ltd- Odi	23,68,670	5.45%	-	0.00%
Government Of Singapore	21,86,551	5.03%	-	0.00%

As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares, except in case of Prasid Uno Family Trust which has declared the beneficial ownership in BEN-1.

f. Shareholding of Promoters at the end of the year

Name of the Promoter	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares	% of Total Shares	% Change During the year	No. of Shares	% of Total Shares	% Change During the year
Mr. Prabhat Agrawal*	40,28,395	9.26%	47.36%	27,33,756	66.49%	6.79%
Mr. Prem Sethi*	22,39,842	5.15%	62.60%	13,77,557	33.50%	6.79%
Orbimed Asia III Mauritius Ltd**	1,65,38,929	38.03%	100.00%	107	0.00%	0.00%

*The percentage of promoter holding has decreased due to issue of shares through initial public offer and the conversion of compulsory convertible preference shares taken place during year.

**During the year classified as promoter.

- g. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the year or two years immediately preceding the current year end.
- h. No class of shares have been bought back by the Company during the year or two years immediately preceding the current year end.
- i. **Rights Issue allotment**
For the year ended 31st March, 2024, the Company has not issued and allotted equity shares on Rights Issue basis.
For the year ended 31st March, 2023, the Company has issued and allotted 2,61,327 equity shares on Rights Issue basis.
- j. **Fresh Issue of equity share through initial public offer**

During the year ended 31st March, 2024, the Company has completed its Initial Public Offer ("IPO") of 1,27,20,044 equity shares of face value of ₹ 10/- each comprising of (i) fresh issue of 79,50,569 equity shares at an issue price of ₹ 1,258 per equity share (which includes allotment of 15268 equity shares under employees reservation at discount of ₹ 119 per equity shares); (ii) an offer for sale of 47,69,475 equity shares at an issue price of ₹ 1,258 per equity share.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

k. Conversion of CCPS into Equity Shares

During the year ended 31st March, 2024, The Company has allotted 31,431,671 equity shares of face value ₹ 10 each upon conversion of Compulsorily Convertible Preference Shares (CCPS) into equity share in the following ratio:

Series of CCPS	Number of existing CCPS held	Number of equity shares allotted due to Conversion	Conversion Ratio
Series A1	46,34,56,702	1,09,54,617	0.024:1
Series A1	85,43,198	85,43,198	1:1
Series A2	15,82,53,439	37,40,532	0.024:1
Series A2	29,17,188	29,17,188	1:1
Series A3	30,96,833	28,94,741	0.93:1
Series A4	2,68,51,617	6,50,771	0.024:1
Series A4	4,94,973	4,94,973	1:1
Series A5	5,09,84,559	12,35,651	0.024:1
Total	71,45,98,509	3,14,31,671	

NOTE 20 INSTRUMENTS ENTIRELY EQUITY IN NATURE

Preference share capital

a. Authorised Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Authorised Share Capital		
0.0001% COMPULSORY CONVERTIBLE PREFERENCE SHARES (CCPS)		
Series A1 CCPS (Mar 24 : 56,58,47,000 ; Mar 23 : 56,58,47,000) of Rs. 10 each	5658.47	5658.47
Series A2 CCPS (Mar 24 : 19,35,64,100 ; Mar 23 : 19,35,64,100) of Rs. 10 each	1,935.64	1,935.64
Series A3 CCPS (Mar 24 : 39,96,900 ; Mar 23 : 39,96,900) of Rs. 10 each	39.97	39.97
Series A4 CCPS (Mar 24 : 3,63,72,000 ; Mar 23 : 3,63,72,000) of Rs. 10 each	363.72	363.72
Series A5CCPS (Mar 24 : 10,00,00,000 ; Mar 23: Nil) of Rs. 10 each	1,000.00	-
Total	8,997.80	7,997.80

b. Issued, Subscribed and Paid-up:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Series A1 CCPS (Mar 24 : Nil ; Mar 23 : 47,19,99,900) of ₹ 10 each	-	4,720.00
Series A2 CCPS (Mar 24 : Nil ; Mar 23 : 16,11,70,627) of ₹ 10 each	-	1,611.70
Series A3 CCPS (Mar 24 : Nil ; Mar 23 : 30,96,833) of ₹ 10 each	-	30.97
Series A4 CCPS (Mar 24 : Nil ; Mar 23 : 2,42,36,590) of ₹ 10 each	-	273.47
Series A5 CCPS (Mar 24 : Nil ; Mar 23 : Nil) of ₹ 10 each	-	-
Total	-	6,636.14

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

c. Reconciliation of preference shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	66,36,13,950	6,636.14	61,89,89,976	6,189.90
Add: Alloted during the year pursuant to rights issue	5,09,84,559	509.85	4,46,23,974	446.24
Less: Converted during the year into Equity shares	(71,45,98,509)	(7,145.99)	-	-
Outstanding at the end of the year	-	-	66,36,13,950	6,636.14

d. Rights, preferences and restrictions attached to shares

0.0001% Compulsory Convertible Preference shares (CCPS)

Terms of Conversion :

- The holders of the CCPS may convert the CCPS in whole or part into 1(one) Equity Share at any time before the expiry of 19(nineteen) years from the date of issue of the same subject to the adjustments as mentioned in Articles of Association, and the provisions of the Shareholders' Agreement. In the event the conversion of CCPS entitles the holder of CCPS to any fraction of an Equity Share, then such fraction shall be rounded up to the nearest whole number.
- The holders of CCPS shall, at any time prior to 19 (nineteen) years from the date of issue of the same, be entitled to call upon the Company to convert all or any of the CCPS. The CCPS, or any of them, if not converted earlier, shall automatically convert into Equity Shares at the then applicable conversion rate.

Senior Rights: The holders of A1 CCPS, A2 CCPS and A3 CCPS shall rank senior to Series A4 CCPS and all other preference shares and other instruments that are outstanding and which may be issued by the Company from time to time.

Meeting and voting rights: The holders of CCPS shall be entitled to attend meetings of all Shareholders of the Company and entitled to such voting rights as If on a Converted Basis, as may be permissible under Applicable Law. Accordingly, but subject to adjustments as set forth herein, the holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1(one) Equity Share would have on each Equity Share held, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Series A1 CCPS are issued to Orbimed Asia III Mauritius Limited	-	-	471,999,900	100.00%
Series A2 CCPS are issued to Prasad Uno Family Trust	-	-	-	0.00%
Series A2 CCPS are issued to IM Investments Trust	-	-	161,170,627	100.00%
Series A3 CCPS are issued to Mr. Prabhat Agrawal	-	-	1,858,100	60.00%
Series A3 CCPS are issued to Mr. Prem Sethi	-	-	1,238,733	40.00%
Series A4 CCPS are issued to Novacare Drug Specialities Private Limited	-	-	6,139,837	22.45%
Series A4 CCPS are issued to K E Prakash	-	-	5,390,244	19.71%
Series A4 CCPS are issued to Mr. Petros Diamantides	-	-	2,189,571	8.01%

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Series A4 CCPS are issued to Prashanth Ravindrakumar	-	-	1,918,699	7.02%
Series A4 CCPS are issued to Manoj K Sanghani	-	-	1,758,808	6.43%
Series A4 CCPS are issued to Vikram Aditya Ambre	-	-	1,758,808	6.43%
Series A4 CCPS are issued to Hemant Barros	-	-	1,197,832	4.38%
Series A4 CCPS are issued to Millennium Medicare Private Limited	-	-	1,279,133	4.68%
Series A5 CCPS are issued to Orbimed Asia III Mauritius Limited	-	-	-	0.00%
Series A5 CCPS are issued to Prasid Uno Family Trust	-	-	-	0.00%

f. Shareholding of Promoters at the end of the year

Name of the Promoter	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares	% of Total Shares	% Change During the year	No. of Shares	% of Total Shares	% Change During the year
Series A1 CCPS						
Orbimed Asia III Mauritius Limited*	-	-	(100.00%)	471,999,900	100.00%	6.79%
Series A3 CCPS						
Mr. Prabhat Agrawal	-	-	(100.00%)	1,858,100	60.00%	6.79%
Mr. Prem Sethi	-	-	(100.00%)	1,238,733	40.00%	6.79%
Series A4 CCPS						
Mr. Prabhat Agrawal	-	-	(100.00%)	400,000	1.46%	100.00%
Mr. Prem Sethi	-	-	(100.00%)	300,000	1.10%	100.00%
Series A5 CCPS						
Orbimed Asia III Mauritius Limited*	-	-		-	-	-
Mr. Prabhat Agrawal	-	-		-	-	-
Mr. Prem Sethi	-	-		-	-	-

*During the year classified as promoter.

g. Conversion to equity shares

During the year ended 31st March, 2024, all outstanding compulsory convertible preference shares (series A1, A2, A3, A4 and A5) have converted to equity shares as per the formula specified in the amended subscription agreement on occurrence of certain events specified in agreement.

h. Right Issue

For the year ended 31st March, 2024, the Company has issued and allotted 5,09,84,559 compulsorily convertible preference shares (Series A5 CCPS) of face value ₹ 10 each to the eligible preference shareholders at an issue price of ₹ 10 per preference share aggregating to ₹ 509.85 million.

During the year ended 31st March, 2023, the Company has issued and allotted 4,46,23,974 compulsorily convertible preference shares (Series A1 CCPS: 3,00,00,000, Series A2 CCPS: 1,02,43,898, Series A3 CCPS: 1,96,833 Series A4 CCPS: 41,83,243) of face value ₹ 10/- each to the eligible preference shareholders at an issue price of ₹ 10 per preference share aggregating to ₹ 1017.28 million.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 21 OTHER EQUITY

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings reserve		
Opening balance	(839.94)	(716.35)
Add: Net Profit/(loss) for the current year	384.40	(124.55)
Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	1.05	0.96
Closing balance	(454.49)	(839.94)
Employee Stock option reserve		
Opening balance	-	-
Add: Employee stock option expense during the year	17.67	-
Closing balance	17.67	-
Security Premium Reserve		
Opening balance	-	-
Add: Premium on conversion of CCPS to equity shares	6,831.67	-
Add: Premium on issue of equity shares through Initial public offers	9,920.49	-
Less: Premium utilised to write off the shares issued expenses	(486.15)	-
Closing balance	16,266.01	-
Total	15,829.19	(839.94)

Nature and purpose of reserve

Securities premium:

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account:

The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to Employee Stock Option reserve Account.

Retained earnings:

Retained earnings represents the Company's undistributed earnings after taxes.

NOTE 22 BORROWINGS

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Long term	Short term	Long term	Short term
From Financial Institution	-	-	280.00	635.00
Non-Convertible Debentures	-	-	-	-
Total Borrowings	-	-	280.00	635.00

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Term Loan and Non convertible debentures:

- (a) During the year, the Company issued 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of Rs. 1,00,000/- (Indian Rupees One Lakhs Only) each ("NCDs") aggregating to Rs. 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) in the month of April 2023. These were secured by first ranking and exclusive charge by way of pledge over shares of the following subsidiaries, held by the Company:

1. Saurashtra Medisolutions Private Limited
2. S.S. Pharma Traders Private Limited
3. SVS Lifesciences Private Limited

A first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents;

The Non Convertible debentures bore a cash coupon rate of 12% pa (Implicit rate of return 14.09%) payable monthly commencing from 6th April, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment. These debentures are redeemed in the month of March 2024.

- (b) During the year, the Company issued 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of Rs. 1,00,000/- (Indian Rupees One Lakhs Only) each ("NCDs") aggregating to Rs. 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) in the month of June 2023. These were secured by first ranking and exclusive charge by way of pledge over shares of the following subsidiaries, held by the Company:

1. Swami Medisolutions private Limited
2. Atreja Healthcare Solutions private Limited
3. City Pharma Distributors private limited

A first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents;

The Non Convertible debentures bore a cash coupon rate of 8% pa (Implicit rate of return 16%) payable monthly commencing from 30th June, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment. These debentures are redeemed in the month of March 2024.

- (c) The term loans included in the current borrowings of the Company were secured against the first charge on all current assets, movable fixed assets and Cash collateral ranging from 5.00% - 20.00% (31st March, 2023: 5.00% - 20.00%) in the form of a lien marked fixed deposit placed with bank. These loans carried interest from 12.00% to 14.00% p.a. and are repayable within one year and hence classified as current as on the reporting date.

These loans were repaid before 31st March, 2024.

Outstanding balance at 31st March 2024 - Nil (31st March, 2023, 635 Million).

- (d) The Term loans included in the non-current borrowings of the Company were secured against the first charge on all current assets, movable fixed assets and Cash collateral of 10.00% (31st March, 2023: 10.00%) in the form of a lien marked fixed deposit placed in a bank. These loans carried interest from 13.50% p.a. and are repayable beyond one year and hence classified as non-current as on the reporting date.

These loans were repaid before 31st March, 2024

Outstanding balance at 31st March 2024 - Nil (31st March, 2023, 280 Million)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 23 LEASE LIABILITY

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Long term	Short term	Long term	Short term
At amortised cost				
Lease Liability	129.51	46.88	161.87	38.85
Total	129.51	46.88	161.87	38.85

NOTE 24 PROVISIONS

a) Provision for employee benefits (Refer note 38)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Long term	Short term	Long term	Short term
Provision for gratuity (unfunded)	13.95	1.56	10.43	1.13
Provision for leave encashment (unfunded)	-	14.92	-	12.23
Total	13.95	16.48	10.43	13.36

NOTE 25 TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total outstanding dues of micro enterprises and small enterprises*	4.82	1.18
Total outstanding dues of creditors other than micro enterprises and small enterprises*	644.17	556.29
Total	648.99	557.47

*Refer note 45 for trade payables to related parties

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	4.82	1.18
Total	4.82	1.18
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Trade Payables ageing schedule

As at 31st March, 2024

Particulars	Outstanding for Following years from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled					
MSME	4.82	-	-	-	4.82
Disputed Dues - MSME	-	-	-	-	-
Other	631.89	12.28	-	-	644.17
Disputed Dues - Others	-	-	-	-	-

As at 31st March, 2023

Particulars	Outstanding for Following years from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled	-	-	-	-	-
MSME	1.18	-	-	-	1.18
Disputed Dues - MSME	-	-	-	-	-
Other	556.29	-	-	-	556.29
Disputed Dues - Others	-	-	-	-	-

NOTE 26 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee liabilities	32.03	31.19
Due to shareholder*	15.86	-
Other payables	458.76	39.59
Total	506.65	70.78

*The amount pertains to shares sold under "offer for sale" by the share holder.

NOTE 27 OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory due payable	43.13	9.76
Deferred Revenue	11.38	1.20
Provision for Sales return	4.73	19.63
Total	59.24	30.59

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 28 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Traded goods	2,880.56	1,728.44
Other operating revenue	301.05	48.46
Total revenue from operations	3,181.61	1,776.90
Analysis of revenues by segments:		
Trading of pharmaceutical and surgical products.	3,181.61	1,776.90
	3,181.61	1,776.90
Revenue based on Geography		
Domestic	3,181.61	1,776.90
Export	-	-
Total	3,181.61	1,776.90
Revenue based on timing of recognition		
Revenue recognition at a point in time	3,181.61	1,776.90
Total	3,181.61	1,776.90

NOTE 29 OTHER INCOME

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Interest income		
- on fixed deposits designated as amortized cost	108.95	33.40
- on intercorporate deposit (Refer note 45)	598.09	478.90
- Interest on income tax refunds	2.32	-
- other interest income	0.24	1.55
(b) Other Gain/(losses)		
- Profit on sale of fixed assets	0.20	-
- Net gain on foreign currency transaction and translation (net)	0.34	0.11
(c) Other non-operating income		
- Business support services	179.64	-
- Miscellaneous income	3.38	10.03
- Commission on Corporate Guarantee	4.33	-
- Interest on unwinding of security deposits	1.76	1.67
Total	899.25	525.66

NOTE 30 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Purchases of Stock-in-trade	2,885.03	1,471.44
Total	2,885.03	1,471.44

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 31 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Inventories at the beginning of the year		
- Stock in trade	288.41	362.29
	288.41	362.29
Less: Inventories at the end of the year		
- Stock in trade	(478.06)	(288.41)
	(478.06)	(288.41)
Net decrease/ (increase)	(189.65)	73.88

NOTE 32 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages, bonus and other allowances	504.78	402.15
Contribution to provident fund and other funds	12.20	10.35
Leave obligation	4.82	3.69
Gratuity expenses	6.37	5.04
Staff welfare expenses	16.62	14.71
Employee stock option expenses (refer note 48)	17.67	-
Total employee benefits expense	562.46	435.94

NOTE 33 FINANCE COSTS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
On Bank loan	78.84	83.79
Processing Fees	4.30	7.05
Bank Charges	0.33	0.43
Interest on non convertible debenture	120.20	-
Other Interest Expenses	1.31	-
Interest on Lease Liabilities	18.20	21.77
Total	223.18	113.04

NOTE 34 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on Property, Plant and Equipment (Refer note 5)	39.72	47.35
Amortization on Intangibles Assets (Refer note 6)	3.98	6.18
Amortization on right of use assets (Refer note 5)	43.78	44.48
Total	87.48	98.01

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 35 OTHER EXPENSES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	4.14	1.27
Rates and taxes	6.43	0.48
Legal and professional charges	44.80	20.42
Travelling expenses	48.25	32.97
Power and fuel	8.73	6.63
Repairs and maintenance	7.70	3.93
Distribution cost	54.75	53.67
Printing and stationery	2.76	1.72
Communication expenses	3.96	3.36
Business promotion expenses	30.95	50.06
IT expenses	9.87	9.79
Subscription expenses	3.39	4.12
Net Impairment losses on trade receivables/financial assets	3.22	7.68
Auditor's remuneration (refer note below)	1.51	0.78
Corporate social responsibilities expenses (refer note 54)	-	-
Housekeeping expenses	3.76	3.05
Sign on amount	18.00	18.00
Office aircon charges	0.86	0.96
Insurance	5.60	4.57
Miscellaneous expenses	10.03	11.34
Total	268.71	234.80

*Note : The following is the break-up of Auditors remuneration (exclusive of taxes)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Statutory Audit (Including Limited Review) fees	1.51	0.78
In other capacity		
Other matters*	-	-
Total	1.51	0.78

*fees related to IPO expenses amounting to Rs. 20.89 million is set off against security premium

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 36 INCOME TAX

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax		
Current tax on profits for the year	-	-
Changes in estimates related to prior years	-	-
Total Current Tax	-	-
Deferred tax		
Deferred tax charge/ (credit)	(140.40)	-
Total	(140.40)	-
Reconciliation of effective tax rate:		
Profit/(Loss) before income tax expense	243.65	(124.55)
Tax using the Company's domestic tax rate 26.00% (31st March, 2023 : 26.00%)	63.35	(32.38)
Tax effect of:		
Permanent disallowances	1.57	-
Deferred tax assets not created	-	32.38
Recognition of deferred tax assets on earlier year losses and depreciation on account of reasonable certainty	(114.12)	-
Others	(91.20)	-
Total tax expense/(income)	(140.40)	-

NOTE 37 EARNINGS PER SHARE

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit/(loss) attributable to the equity holders of the Company (A)	384.40	(124.55)
Weighted Average number of shares issued for Basic EPS (B)	36,170,690	650,730,172
Adjustment for calculation of Diluted EPS(number of share)(C)	-	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	36,170,690	650,730,172
Basic EPS in ₹	10.63	(0.19)
Diluted EPS in ₹	10.63	(0.19)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 38 EMPLOYEE BENEFITS

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

- Provident Fund
- Employee state insurance fund
- Labour welfare fund

The expense recognised during the year towards defined contribution plan -

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Contribution to Provident Fund	11.36	9.78
Employers Contribution to Employee state insurance	0.76	0.54
Employers Contribution to Labour welfare fund	0.08	0.03

II. Defined benefit plans

Gratuity

The Company has an unfunded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Sr No	Define benefit plans	For the year ended 31st March, 2024 Gratuity (Unfunded)	For the year ended 31st March, 2023 Gratuity (Unfunded)
I	Expenses recognised in statement of profit and loss during the year:		
	Current service cost	5.37	4.39
	Net interest cost / (income) on the net defined benefit liability / (asset)	1.00	0.65
	Total expenses	6.37	5.04
II	Included in other comprehensive income		
	Amount recognized in OCI, Beginning of year	(0.85)	0.11
	Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	-
	Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	0.11	(0.37)
	Actuarial (gains)/ losses due to experience on defined benefit obligations	(1.51)	(0.59)
	Total Remeasurement recognized in OCI	(1.40)	(0.96)
	Total Recognized in OCI, end of year	(2.25)	(0.85)
III	Net liability recognised as at balance sheet date:		
	Present value of defined benefit obligation	15.51	11.56
	Deficit	15.51	11.56

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Sr No	Define benefit plans	For the year ended 31st March, 2024 Gratuity (Unfunded)	For the year ended 31st March, 2023 Gratuity (Unfunded)
IV	Movements in present value of defined benefit obligation		
	Present value of defined benefit obligation at the beginning of the year	11.56	7.48
	Current service cost	5.37	4.39
	Interest cost	1.00	0.65
	Actuarial loss	(1.40)	(0.96)
	Benefits paid	(1.02)	-
	Present value of defined benefit obligation at the end of the year	15.51	11.56
V	Maturity profile of defined benefit obligation		
	Expected cash flows over the next years (valued on undiscounted basis):		
	1st Following year	1.62	1.17
	2nd Following year	1.81	1.18
	3rd Following year	2.02	1.34
	4th Following year	2.47	1.57
	5th Following year	2.43	1.92
	Sum of years 6 To 10	8.10	6.30
	Sum of years 11 and above	4.78	4.79
VI	Quantitative sensitivity analysis for significant assumptions is as below:		
1	Increase / (decrease) on present value of defined benefit obligation at the end of the year		
	(i) +1% increase in discount rate	(0.73)	(0.59)
	(ii) -1% decrease in discount rate	0.80	0.65
	(iii) +1% increase in rate of compensation levels	0.61	0.56
	(iv) -1% decrease in rate of compensation levels	(0.62)	(0.46)
2	Sensitivity analysis method		

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

VII Actuarial assumptions:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1 Discount rate	7.13%	7.28%
2 Expected Rate of increase in compensation levels	8.00%	8.00%
3 Withdrawal Rate	20.00%	20.00%
4 Mortality Rate During Employment	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
5 Retirement Age	58 years	58 years

III Leave Encashment

The amount recognized as an expense in respect of compensated absences is ₹ 4.82 million (March 2023: ₹ 3.69 million).

NOTE 39 CONTINGENT LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Contingent Liabilities in respect of corporate guarantee to subsidiaries.	4,777.00	3,444.47
(ii) The Company will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated 28th February, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Standalone Financial Statements.		

NOTE 40 COMMITMENTS

There are no capital commitments as at 31st March, 2024 and 31st March, 2023.

NOTE 41 SEGMENT REPORTING

An operating segment is a component of Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Chief Executive Office and Chief Operating Officer of the Company acts as the (CODM). The Company operates only in one business segment i.e. trading of pharmaceutical and surgical products and hence, the Company has only one separate reportable segments as per Ind AS 108 "Operating Segments".

NOTE 42 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, compulsorily convertible preference shares (Converted to Equity share on 27th January, 2024) and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based with no financing

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

through borrowings. The Company is not subject to any externally imposed capital requirement. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2024 and 31st March, 2023. The net debt to equity ratio for the current year decreased as a result of repayment of borrowings and fund raise through initial public offer. The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Borrowings		
Long term and Short term borrowings	-	280.00
Short term borrowings	-	635.00
Less: cash and cash equivalents	-	(61.15)
Adjusted net debt	-	853.85
Total Equity	-	5,837.32
Adjusted net debt to adjusted equity ratio*	-	0.15

*Not computed at 31st March, 2024 as there are no borrowings at the year end.

NOTE 43 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	FVTPL	Carrying Amount FVTOCI	Amortized Cost	Total
Financial assets and liabilities as at 31st March, 2024				
Non-current financial assets				
Investments in subsidiaries	-	-	405.38	405.38
Other financial assets	-	-	109.26	109.26
	-	-	514.63	514.63
Current financial assets				
Trade receivables	-	-	1,131.86	1,131.86
Cash and cash equivalents	-	-	933.39	933.39
Bank balances other than cash and cash equivalent	-	-	6,990.13	6,990.13
Loans	-	-	5,891.69	5,891.69
Other financial assets	-	-	934.23	934.23
Total	-	-	15,881.30	15,881.30
Non-current financial liabilities				
Lease Liabilities	-	-	129.51	129.51
Current financial liabilities				
Borrowings	-	-	-	-
Lease Liabilities	-	-	46.88	46.88
Trade payables	-	-	648.99	648.99
Other financial liabilities	-	-	506.65	506.65
Total	-	-	1,332.03	1,332.03

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Particulars	Carrying Amount			Total
	FVTPL	FVTOCI	Amortized Cost	
Financial assets and liabilities as at 31st March, 2023				
Non-current financial assets	-	-	406.40	406.40
Investments in subsidiaries	-	-	36.48	36.48
Other financial assets	-	-	442.88	442.88
Current financial assets				
Trade receivables	-	-	744.80	744.80
Cash and cash equivalents	-	-	61.15	61.15
Bank balances other than cash and cash equivalent	-	-	710.70	710.70
Loans	-	-	4,143.93	4,143.93
Other financial assets	-	-	500.42	500.42
Total	-	-	6,161.00	6,161.00
Non-current financial liabilities				
Borrowings			280.00	280.00
Lease Liabilities	-	-	161.87	161.87
Current financial liabilities				
Borrowings	-	-	635.00	635.00
Lease Liabilities	-	-	38.85	38.85
Trade payables	-	-	557.47	557.47
Other financial liabilities	-	-	70.78	70.78
Total	-	-	1,743.97	1,743.97

- B.** The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges are determined using the closing price of the respective instrument as at the reporting date.

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

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

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 44 FINANCIAL RISK MANAGEMENT

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's trade and other receivables and cash and cash equivalents. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business.

Summary of the Companies exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
- Considered good	1,131.86	744.80
- Considered doubtful	17.97	14.75
Gross Trade Receivables	1,149.83	759.55
Less: Impairment Loss	(17.97)	(14.75)
Net Trade Receivables	1,131.86	744.80

The Company uses Expected Credit Loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the company's historical experience for customers. The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

Loans and advances given comprises inter company loans hence the risk of default from these companies is remote. The Company monitors each loans given and makes any specific provision if required.

iii) Cash and cash equivalents and other bank balance

The Company held cash and cash equivalent and other bank balance of ₹ 7,974.15 million as at 31st March, 2024 (31st March, 2023 : ₹ 771.85 million). The same are held with banks. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the company to credit risk.

iv) Others

Apart from trade receivables ,loans and cash and bank balances , the company has no other financial assets which carry any significant credit risk.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

(B) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments as well.

Contractual maturities of financial liabilities 31st March, 2024	1 year or less	1-5 years	More than 5 years	Total
1. Lease Liabilities	61.65	144.16	7.40	213.21
2. Trade Payables	648.99	-	-	648.99
3. Borrowings	-	-	-	-
4. Other financial liabilities	506.65	-	-	506.65
Total	1,217.28	144.16	7.40	1,368.85

Contractual maturities of financial liabilities 31st March, 2023	1 year or less	1-5 years	More than 5 years	Total
1. Lease Liabilities	56.06	184.62	14.05	254.73
2. Trade Payables	557.47	-	-	557.47
3. Borrowings	635.00	280.00	-	915.00
4. Other financial liabilities	70.78	-	-	70.78
Total	1,319.31	464.62	14.05	1,797.98

The outflows disclosed in above table represents the total contracted undiscounted cash flows and total interest payable on borrowings.

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market. Most of the transactions are denominated in the company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

The exposure of the Company's borrowings to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31st March, 2024*	As at 31st March, 2023
Variable rate borrowings	-	565.00
Fixed rate borrowings	-	350.00

Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit before tax and equity:

Particulars	As at 31st March, 2024*	As at 31st March, 2023
Interest rates – decreases by 100 basis points	-	4.18
Interest rates – increases by 100 basis points	-	(4.18)

*As at 31st March, 2024, all the outstanding loans were repaid hence there are no borrowings at the year end.

NOTE 45 RELATED PARTY DISCLOSURES

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Promoter & Promoter Group	Prabhat Agrawal-Promoter
	Prem Sethi-Promoter
	Orbimed Asia iii Mauritius Limited-Promoter
	Payal Agrawal-Promoter Group
	Kunjbehari Lal Agrawal-Promoter Group
	Asha Agrawal-Promoter Group
	Neha Agrawal-Promoter Group
	Kanchi Agrawal-Promoter Group
	Jaibhagwan Mittal -Promoter Group
	Arti Mittal -Promoter Group
	Kunal Mittal -Promoter Group
	Richa Agarwal -Promoter Group
	Komal Gupta -Promoter Group
	Vikas Sethi -Promoter Group
	Lubna Sethi -Promoter Group
	Shweta Adlakhsha -Promoter Group
	Technomax Infosolutions (Partnership Concern)
	Uquifa Sciences Mascarene Ltd, Mauritius
	Uquifa Sciences Uk Ltd
	Uquifa Sciences Slu, Spain
	Union Quimico Farmaceutica Sau, Spain
	Uquifa Mexico Sa, Mexico

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Description of relationship	Name of the related party
Subsidiary Companies	Novacare Healthcare Solutions Private Limited
	G.S.Pharmaceutical Distributors Private Limited
	R S M Pharma Private Limited
	Getwell Medicare Solution Private Limited
	Sundarlal Pharma Distributors Private Limited
	Chhabra Healthcare Solutions Private Limited
	Galaxystar Pharma Distributors Private Limited
	Avenues Pharma Distributors Private Limited
	Chirag Medicare Solutions Private Limited
	Jaggi Enterprises Private Limited
	Chethana Healthcare Solutions Private Limited
	Vasavi Medicare Solutions Private Limited
	SVMED Solutions Private Limited
	Chethana Pharma Private Limited
	Millennium Medisolutions Private Limited
	Rada Medisolutions Private Limited
	Sesha Balajee Medisolutions Private Limited
	Barros Enterprises Private Limited
	Chethana Pharma Distributors Private Limited
	Sree Venkateshwara Medisolutions Private Limited
	CPD Pharma Private Limited
	Calcutta Medisolutions Private Limited
	Curever Pharma Private Limited
	Rimedio Pharma Private Limited
	Quromed Life Sciences Private Limited
	Western Healthcare Solutions Private Limited
	Atreja Healthcare Solutions Private Limited
	City Pharma Distributors Private Limited
	Swami Medisolutions Private Limited
	Zennx Software Solutions Private Limited
	New Siva Agencies Private Limited
	New RRPD Private Limited
	Sri Rama Pharmaceutical Distributors Private Limited
	Sri parshva Pharma Distributors private limited
	Saurashtra Medisolutions Private Limited
	SVS Lifesciences Private Limited
	S.S. Pharma Traders Private Limited
	Entero R.S. Enterprises Private Limited (w.e.f. 16.09.2023)
	Dhanvathi Super Speciality Private Limited (w.e.f. 11.12.2023)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Group Company

Description of relationship	Name of the related party
Entities under significant influence of Individual	Novacare Drug Specialities Private Limited
	Medmate Pharma Private Limited

Description of relationship	Name of the related party
Key Management Personnel and their relative:	Prabhat Agrawal (Managing Director & CEO)
	Prem Sethi (Whole Time Director & COO)
	Sunny Sharma (Director) resigned w.e.f. 24.08.2023
	Jayant Prakash (CS)
	CV Ram (Chief Financial Officer) (w.e.f. 31.01.2023)
	Arun Sadhanandham (Nominee Director)
	Vipul Desai (Nominee Director)
	Sandhya Sharma (Independent Director) w.e.f 25.08.2023
	Sujesh Vasudevan (Independent Director) w.e.f 25.08.2023
	Rajesh Dalal (Independent Director) w.e.f 25.08.2023

Description of relationship	Name of the related party
Companies/Firms/Body Corporates in which Directors are Director/ Partner	A) Sandhya Sharma
	ICICI Home Finance Company Limited
	Magma HDI General Insurance Company Limited
	B) Rajesh Shashikant Dalal
	Biogenomics Limited
	Ascent Meditech Limited
	C) Sujesh Vasudevan
	Eris Lifesciences Limited

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

B. Details of related party transactions:

Nature of Transaction	Name of the related party	For the Year ended	For the Year ended
		31st March, 2024	31st March, 2023
Sale of stock in trade	SVS Lifesciences Private Limited	2.34	0.58
	Chhabra Healthcare Solutions Private Limited	19.63	(1.39)
	Calcutta Medisolutions Private Limited	14.13	0.19
	R S M Pharma Private Limited	59.45	-
	Getwell Medicare Solution Private Limited	124.47	195.16
	Novacare Healthcare Solutions Private Limited	294.95	79.12
	Avenues Pharma Distributors Private Limited	50.17	1.77
	Barros Enterprises Private Limited	3.74	1.74
	Chethana Pharma Private Limited	19.89	0.63
	Chirag Medicare Solutions Private Limited	24.34	1.60
	Galaxystar Pharma Distributors Private Limited	46.80	0.37
	G.S.Pharmaceutical Distributors Private Limited	37.47	(2.73)
	Jaggi Enterprises Private Limited	15.91	(1.39)
	Millennium Medisolutions Private Limited	37.13	10.00
	Rada Medisolutions Private Limited	23.42	0.71
	Sundarlal Pharma Distributors Private Limited	0.00	(0.04)
	Saurashtra Medisolutions Private Limited	6.49	1.26
	SS Pharma Traders Private Limited	7.16	2.02
	SVMED Solutions Private Limited	39.33	2.81
	Vasavi Medicare Solutions Private Limited	43.16	(1.09)
	Chethana Pharma Distributors Private Limited	1.71	0.22
	Swami Medisolutions Private Limited	4.51	0.50
	Sri parshva Pharma Distributors private limited	64.68	4.65
	Sree Venkateshwara Medisolutions Private Limited	16.29	(2.14)
	CPD Pharma Private Limited	0.28	(0.15)
	Curever Pharma Private Limited	(0.98)	0.71
	Western Healthcare Solutions Private Limited	12.98	0.33
	Atreja Healthcare Solutions Private Limited	1.58	1.11
	City Pharma Distributors Private Limited	3.30	0.31
	New RRPD Private Limited	0.49	1.24
	New Siva Agencies Private Limited	(0.02)	1.24
	Chethana Healthcare Solutions Private Limited	7.80	-
	Sesha Balajee Medisolutions Private limited	5.31	(1.17)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Purchase of stock in trade	Novacare Healthcare Solutions Private Limited	585.91	1.23
	G.S.Pharmaceutical Distributors Private Limited	0.08	2.21
	Chhabra Healthcare Solutions Private Limited	3.61	3.11
	Galaxystar Pharma Distributors Private Limited	181.18	15.07
	Jaggi Enterprises Private Limited	(0.04)	0.35
	Millennium Medisolutions Private Limited	12.43	18.19
	Calcutta Medisolutions Private Limited	4.08	0.75
	Curever Pharma Private Limited	1.79	(0.08)
	Atreja Healthcare Solutions Private Limited	8.03	2.05
	Getwell Medicare Solution Private Limited	0.02	-
	Avenues Pharma Distributors Private Limited	-	-
	Rada Medisolutions Private Limited	0.24	-
	Sesha Balajee Medisolutions Private limited	1.17	0.54
	Barros Enterprises Private Limited	1.25	0.17
	Sree Venkateshwara Medisolutions Private Limited	0.28	-
	SVS Lifesciences Private Limited	8.89	-
	Saurashtra Medisolutions Private Limited	0.04	-
	SS Pharma Traders Private Limited	0.43	-
	Vasavi Medicare Solutions Private Limited	0.00	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Loans Given	Novacare Healthcare Solutions Private Limited	220.00	5.50
	G.S. Pharmaceutical Distributors Private limited	94.50	-
	R S M Pharma Private Limited	295.50	0.02
	Galaxystar Pharma Distributors Private Limited	218.00	-
	Sundarlal Pharma Distributors Private Limited	23.00	-
	Getwell Medicare Solution Private Limited	185.00	-
	Avenues Pharma Distributors Private Limited	214.00	22.00
	Barros Enterprises Private Limited	30.00	-
	Chethana Healthcare Solutions Private Limited	20.00	-
	Atreja Healthcare Solutions Private Limited	5.00	9.50
	City Pharma Distributors Private limited	10.00	2.00
	New RRPD Private Limited	123.80	-
	New Siva Agencies Private Limited	114.40	-
	Sri Parshva Pharma Distributors Private Limited	159.00	124.60
	Sri Rama Pharmaceutical Distributors Private Limited	575.80	354.90
	S S Pharma Traders Private Limited	238.24	136.54
	Saurashtra Medisolutions Private Limited	103.70	101.30
	Swami Medisolutions Private Limited	7.00	8.15
	Western Healthcare Solutions Private limited	149.50	-
	Chethana Pharma Private Limited	126.00	-
	Chirag Medicare Solutions Private Limited	126.00	-
	Jaggi Enterprises Private limited	5.00	-
	Millennium Medisolutions Private Limited	137.50	35.00
	Rada Medisolutions Private Limited	381.48	-
	Sesha Balajee Medisolutions Private limited	91.50	3.00
	SVMED Solutions Private Limited	152.60	28.72
	SVS Lifesciences Private Limited	83.11	65.00
	Vasavi Medicare Solutions Private Limited	118.00	6.50
	Calcutta Medisolutions Private Limited	17.50	18.00
	Curever Pharma Private Limited	92.45	250.90
	Sree Venkateshwara Medisolutions Private Limited	11.70	22.50
	Chethana Pharma Distributors Private Limited	0.50	4.00
	Chhabra Healthcare Solutions Private Limited	61.00	29.00
	Dhanvanthri Super Speciality Private Limited	57.73	-
	Entero R S Enterprises Private limited	50.00	-
	CPD Pharma Private Limited	-	7.79

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Loans Repaid	Novacare Healthcare Solutions Private Limited	-	-
	G.S. Pharmaceutical Distributors Private limited	-	7.68
	Getwell Medicare Solution Private Limited	103.13	38.00
	Sundarlal Pharma Distributors Private Limited	7.73	-
	Avenues Pharma Distributors Private Limited	25.00	-
	Chethana Healthcare Solutions Private Limited	12.90	18.00
	Chethana Pharma Private Limited	41.15	84.00
	Chirag Medicare Solutions Private Limited	47.58	69.00
	Chhabra Healthcare Solutions Private Limited	36.24	-
	Galaxystar Pharma Distributors Private Limited	45.00	16.90
	Rada Medisolutions Private Limited	358.96	30.55
	R S M Pharma Private Limited	305.91	-
	Jaggi Enterprises Private limited	-	1.00
	Vasavi Medicare Solutions Private Limited	99.24	-
	Barros Enterprises Private Limited	30.38	12.50
	Calcutta Medisolutions Private Limited	-	-
	Curever Pharma Private Limited	90.00	-
	Sesha Balajee Medisolutions Private Limited	111.14	-
	Sri parshva Pharma Distributors Private limited	45.63	-
	SVMED Solutions Private Limited	145.66	-
	Western Healthcare Solutions Private Limited	75.25	9.80
	Entero R S Enterprises Private limited	50.00	-
	Millennium Medisolutions Private limited	40.73	-
	New RRPD Private Limited	94.63	-
	New Siva Agencies Private Limited	93.33	-
	Saurashtra Medisolutions Private limited	87.45	-
	Sri Rama Pharmaceutical Distributors Private limited	370.34	-
	S S Pharma Traders Private Limited	165.40	-
	SVS Lifesciences Private limited	67.94	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Reimbursement of expenses/(Recovery of expenses)	Avenues Pharma Distributors Private Limited	-	1.73
	Barros Enterprises Pvt Limited-Mpc	-	0.10
	Chethana Pharma Private Limited - Davangere	-	0.10
	Chethana Pharma Private Limited - Gulbarga	-	0.10
	Chirag Medicare Solutions Private Limited	-	0.10
	Galaxystar Pharma Distributors Pvt Ltd	-	3.84
	Getwell Medicare Solution Pvt Ltd	-	2.94
	RSM Pharma Private Limited	-	3.04
	Novacare Healthcare Solutions Pvt Ltd.	2.04	-
	Jaggi Enterprises Pvt. Ltd	1.54	-
	Chhabra Healthcare Solutions Pvt Ltd	0.88	-
	Sesha Balajee Medisolutions Pvt Ltd	-	0.10
	Sri Parshva Pharma Distributors Private Limited	-	0.10
	SS Pharma Traders Pvt Ltd	-	0.64
	SVMED Solutions Private Limited	-	1.81
	SVS Lifesciences Pvt.Ltd.	-	1.23
	Dhanvanthri Super Speciality Private Limited	(12.30)	-
	Entero R S Enterprises Private limited	(12.30)	-
	Vasavi Medicare Solutions Pvt Ltd	-	0.10
	Western Healthcare Solutions Private Limited	-	0.90

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Interest Income	Novacare Healthcare Solutions Private Limited	34.10	29.02
	G.S.Pharmaceutical Distributors Private Limited	17.80	15.76
	R S M Pharma Private Limited	18.64	14.80
	Galaxystar Pharma Distributors Private Limited	10.86	7.72
	Sundarlal Pharma Distributors Private Limited	12.26	10.35
	Chhabra Healthcare Solutions Private Limited	14.38	12.35
	Getwell Medicare Solution Private Limited	8.86	13.40
	Avenues Pharma Distributors Private Limited	47.74	43.64
	Barros Enterprises Private limited	7.96	9.93
	Chethana Healthcare Solutions Private Limited	5.59	7.80
	Chethana Pharma Private Limited	3.06	8.09
	Chirag Medicare Solutions Private Limited	3.86	9.11
	Jaggi Enterprises Private Limited	20.93	20.53
	Millennium Medisolutions Private Limited	33.22	29.35
	Rada Medisolutions Private Limited	9.93	13.30
	Sesha Balajee Medisolutions Private limited	18.20	16.39
	SS Pharma Traders Private Limited	23.71	9.43
	Saurashtra Medisolutions Private Limited	13.62	9.50
	SVS Lifesciences Private Limited	10.02	5.66
	SVMED Solutions Private Limited	21.15	15.93
	Vasavi Medicare Solutions Private Limited	19.10	14.94
	Entero R S Enterprises Private limited	0.67	-
	Chethana Pharma Distributors Private Limited	2.00	1.52
	Sree Venkateshwara Medisolutions Private limited	8.01	5.89
	CPD Pharma Private limited	3.68	2.87
	Curever Pharma Private Limited	43.50	25.25
	Western Healthcare Solutions Private limited	19.18	19.17
	Atreja Healthcare Solutions Private limited	5.97	5.46
	City Pharma Distributors Private limited	4.83	4.73
	Swami Medisolutions Private limited	9.26	8.61
	New Siva Agencies Private Limited	5.86	8.57
	New RRPD Private Limited	4.74	7.71
	Sri Rama Pharmaceutical Distributors Private limited	79.55	38.27
	Sri Parshva Pharma Distributors Private Limited	49.82	29.79
	Dhanvanthri Super Speciality Private Limited	0.74	-
	Calcutta Medisolutions Private Limited	5.18	3.97

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Remuneration Paid	Prabhat Agrawal	40.72	34.53
	Prem Sethi	22.23	19.10
	CV Ram	16.71	3.60
	Jayant Prakash	6.12	4.13

Nature of Transaction	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Sitting Fees paid to Independent Directors	2.18	-

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Rent income	Millennium Medisolutions Private Limited	2.70	2.20
	Curever Pharma Private Limited	-	1.73
	SVMED Solutions Private Limited	0.80	0.63
	Rimedio Pharma Private Limited	-	0.01
	Quomed Life Sciences Private Limited	-	0.01

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Commission Expense	Novacare Healthcare Solutions Private Limited	-	12.44

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Commission Income	Curever Pharma Private Limited	-	0.46

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Corporate Guarantees Given	Novacare Healthcare Solutions Private Limited	560.00	500.00
	Getwell Medicare Solution Private Limited	260.00	250.00
	Avenues Pharma Distributors Private Limited	350.00	350.00
	Chethana Healthcare Solutions Private Limited	50.00	50.00
	Chirag Medicare Solutions Private Limited	180.00	150.00
	RSM Pharma Private Limited	340.00	250.00
	G.S.Pharmaceutical Distributors Private Limited	140.00	120.00
	Chhabra Healthcare Solutions Private Limited	100.00	50.00
	Sundarlal Pharma Distributors Private Limited	-	70.00
	Galaxystar Pharma Distributors Private Limited	210.00	150.00
	SVMED Solutions Private Limited	150.00	150.00
	Vasavi Medicare Solutions Private Limited	115.00	150.00
	Rada Medisolutions Private Limited	100.00	100.00
	Barros Enterprises Private Limited	67.00	67.00
	Sesha Balajee Medisolutions Private Limited	125.00	150.00
	Jaggi Enterprises Private Limited	120.00	120.00
	Western Healthcare Solutions Private Limited	130.00	80.00
	Chethana Pharma Private Limited	180.00	150.00
	Sri Rama Pharmaceutical Distributors Private Limited	320.00	158.64
	Sri Parshva Pharma Distributors private limited	400.00	228.84
	Millennium Medisolutions Private Limited	230.00	150.00
	Entero R.S.Enterprises Private Limited	150.00	-
	Saurashtra Medisolutions Private Limited	40.00	-
	SS Pharma Traders Private Limited	70.00	-
	SVS LifeSciences Private Limited	40.00	-
	New RRPD Private Limited	50.00	-
	New Siva Agencies Private Limited	50.00	-
	Dhanvanthri Super Speciality Private Limited	250.00	-
	Curever Pharma Private Limited	-	-

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Corporate guarantee Commission	RSM Pharma Private Limited	1.13	-
	Galaxystar Pharma Distributors Private Limited	0.53	-
	SVMED Solutions Private Limited	0.17	-
	Vasavi Medicare Solutions Private Limited	0.13	-
	Sesha Balajee Medisolutions Private Limited	0.17	-
	Jaggi Enterprises Private Limited	0.30	-
	Western Healthcare Solutions Private Limited	0.33	-
	Sri Parshva Pharma Distributors private limited	1.00	-
	Millennium Medisolutions Private Limited	0.58	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Cross- Charge	Novacare Healthcare Solutions Private Limited	20.56	-
	G.S.Pharmaceutical Distributors Private Limited	3.85	-
	R S M Pharma Private Limited	11.92	-
	Getwell Medicare Solution Private Limited	6.96	-
	Sundarlal Pharma Distributors Private Limited	1.41	-
	Chhabra Healthcare Solutions Private Limited	5.92	-
	Galaxystar Pharma Distributors Private Limited	13.29	-
	Avenues Pharma Distributors Private Limited	9.88	-
	Chirag Medicare Solutions Private Limited	7.88	-
	Jaggi Enterprises Private Limited	5.70	-
	Chethana Healthcare Solutions Private Limited	1.95	-
	Vasavi Medicare Solutions Private Limited	4.35	-
	SVMED Solutions Private Limited	3.42	-
	Chethana Pharma Private Limited	7.88	-
	Millennium Medisolutions Private Limited	10.57	-
	Rada Medisolutions Private Limited	2.75	-
	Sesha Balajee Medisolutions Private limited	3.41	-
	Barros Enterprises Private limited	2.43	-
	Chethana Pharma Distributors Private Limited	0.27	-
	Sree Venkateshwara Medisolutions Private limited	2.84	-
	CPD Pharma Private limited	0.35	-
	Calcutta Medisolutions Private limited	0.62	-
	Curever Pharma Private Limited	-	-
	Western Healthcare Solutions Private limited	4.79	-
	Atreja Healthcare Solutions Private limited	1.11	-
	City Pharma Distributors Private limited	1.01	-
	Swami Medisolutions Private limited	2.36	-
	New Siva Agencies Private Limited	2.94	-
	New RRPD Private Limited	2.58	-
	Sri Rama Pharmaceutical Distributors Private limited	13.93	-
	Sri Parshva Pharma Distributors Private Limited	10.65	-
	Saurashtra Medisolutions Private limited	1.48	-
	SVS Lifesciences Private limited	2.81	-
	SS Pharma Traders Private Limited	4.59	-
	Entero R S Enterprises Private limited	2.33	-
	Dhanvanthri Super Speciality Private Limited	0.85	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

C Details of balances outstanding for related party transactions:

Nature of Transaction	Name of the related party	As at	As at
		31st March, 2024	31st March, 2023
Loans Given	Novacare Healthcare Solutions Private Limited	441.44	221.44
	G.S. Pharmaceutical Distributors Private limited	212.50	118.00
	R S M Pharma Private Limited	101.67	112.08
	Galaxystar Pharma Distributors Private Limited	228.54	55.54
	Sundarlal Pharma Distributors Private Limited	94.89	79.62
	Chhabra Healthcare Solutions Private Limited	134.70	109.94
	Getwell Medicare Solution Private Limited	150.00	68.13
	Avenues Pharma Distributors Private Limited	532.10	343.10
	Barros Enterprises Private limited	68.65	69.03
	Chethana Healthcare Solutions Private Limited	51.80	44.70
	Chethana Pharma Private Limited	100.00	15.15
	Chirag Medicare Solutions Private Limited	100.00	21.58
	Jaggi Enterprises Private limited	162.07	157.07
	Millennium Medisolutions Private Limited	331.75	234.98
	Rada Medisolutions Private Limited	87.87	65.35
	Sesha Balajee Medisolutions Private limited	107.72	127.36
	Atreja Healthcare Solutions Private limited	50.60	45.60
	Calcutta Medisolutions Private limited	52.90	35.40
	Chethana Pharma Distributors Private limited	15.50	15.00
	City Pharma Distributors Private limited	46.70	36.70
	CPD Pharma Private Limited	28.23	28.23
	Curever Pharma Private Limited	357.55	355.10
	Dhanvanthri Super Speciality Private Limited	57.73	-
	Entero R S Enterprises Private limited	-	-
	New RRPD Private Limited	88.47	59.30
	New Siva Agencies Private Limited	86.97	65.90
	Saurashtra Medisolutions Private limited	117.55	101.30
	Sree Venkateshwara Medisolutions Private limited	69.55	57.85
	Sri Parshva Pharma Distributors Private limited	481.65	368.28
	Sri Rama Pharmaceutical Distributors Private limited	682.39	476.93
	S.S. Pharma Traders Private Limited	209.38	136.54
	SVS Lifesciences Private limited	80.17	65.00
	Swami Medisolutions Private limited	77.45	70.45
	Vasavi Medicare Solutions Private limited	137.30	118.54
	Western Healthcare Solutions Private limited	201.96	127.70
	SVMED Solutions Private Limited	143.25	136.31

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Interest receivable	Novacare Healthcare Solutions Private Limited	48.33	45.64
	G.S.Pharmaceutical Distributors Private Limited	27.14	14.18
	R S M Pharma Private Limited	16.78	3.30
	Galaxystar Pharma Distributors Private Limited	9.78	-
	Sundarlal Pharma Distributors Private Limited	11.03	12.27
	Chhabra Healthcare Solutions Private Limited	12.94	13.44
	Getwell Medicare Solution Private Limited	7.98	2.70
	Avenues Pharma Distributors Private Limited	72.14	59.18
	Barros Enterprises Private limited	7.17	2.12
	Chethana Healthcare Solutions Private Limited	5.03	-
	Chethana Pharma Private Limited	2.75	-
	Chirag Medicare Solutions Private Limited	3.47	-
	Jaggi Enterprises Private Limited	42.82	23.98
	Millennium Medisolutions Private Limited	29.89	40.12
	Rada Medisolutions Private Limited	8.94	2.07
	Sesha Balajee Medisolutions Private limited	16.38	20.60
	SS Pharma Traders Private Limited	21.34	8.49
	Saurashtra Medisolutions Private Limited	12.26	8.55
	SVS Lifesciences Private Limited	9.02	5.10
	SVMED Solutions Private Limited	19.04	14.34
	Vasavi Medicare Solutions Private Limited	17.19	17.55
	Western Healthcare Solutions Private Limited	17.26	17.25
	Atreja Healthcare Solutions Private Limited	12.06	6.69
	City Pharma Distributors Private Limited	9.69	5.35
	Swami Medisolutions Private Limited	17.13	8.79
	New Siva Agencies Private Limited	5.27	7.71
	New RRPD Private Limited	4.27	6.94
	Sri Rama Pharmaceutical Distributors Private Limited	71.59	34.87
	Sri parshva Pharma Distributors private limited	44.83	19.42
	Calcutta Medisolutions Private Limited	9.04	4.40
	Curever Pharma Private Limited	72.08	32.93
	Sree Venkateshwara Medisolutions Private Limited	15.16	8.02
	Chethana Pharma Distributors Private Limited	4.27	2.51
	Entero R S Enterprises Private limited	0.61	-
	Dhanvanthri Super Speciality Private Limited	0.67	-
	CPD Pharma Private Limited	7.32	4.00

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables	Novacare Healthcare Solutions Private Limited	327.54	165.44
	R S M Pharma Private Limited	19.16	5.19
	Barros Enterprises Private limited	0.42	0.35
	Chhabra Healthcare Solutions Private Limited	6.56	0.95
	Galaxystar Pharma Distributors Private Limited	36.78	4.94
	Getwell Medicare Solution Private Limited	51.94	8.88
	G.S.Pharmaceutical Distributors Private Limited	14.74	4.42
	Jaggi Enterprises Private Limited	20.49	8.17
	Millennium Medisolutions Private Limited	10.76	2.89
	Sesha Balajee Medisolutions Private limited	2.67	0.35
	Chirag Medicare Solutions Private Limited	4.06	0.61
	Sree Venkateshwara Medisolutions Private Limited	9.65	0.27
	Avenues Pharma Distributors Private Limited	10.86	5.28
	CPD Pharma Private Limited	0.43	0.46
	Calcutta Medisolutions Private Limited	2.60	0.06
	Curever Pharma Private Limited	0.38	12.44
	Chethana Pharma Private Limited	3.13	0.36
	Chethana Healthcare Solutions Private Limited	2.48	0.11
	Rada Medisolutions Private Limited	14.21	1.19
	Sundarlal Pharma Distributors Private Limited	0.29	0.30
	SVMED Solutions Private Limited	17.07	0.69
	Western Healthcare Solutions Private Limited	1.08	1.14
	New Siva Agencies Private Limited	1.26	1.47
	Sri Rama Pharmaceutical Distributors Private Limited	-	4.92
	Sri Parshva Pharma Distributors Private Limited	24.27	0.78
	Saurashtra Medisolutions Private Limited	5.79	0.32
	Swami Medisolutions Private Limited	3.85	0.24
	New RRPD Private Limited	0.98	1.30
	Chethana Pharma Distributors Private Limited	0.43	0.09
	SVS Lifesciences Private Limited	1.08	0.43
	City Pharma Distributors Private Limited	2.56	0.36
	Atreja Healthcare Solutions Private Limited	1.56	1.52
	SS Pharma Traders Private Limited	5.59	-
	Vasavi Medicare Solutions Private Limited	19.63	(0.15)

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Investments	Novacare Healthcare Solutions Private Limited	110.00	110.00
	G.S.Pharmaceutical Distributors Private Limited	36.00	36.00
	R S M Pharma Private Limited	47.70	47.70
	Galaxystar Pharma Distributors Private Limited	57.90	57.90
	Sundarlal Pharma Distributors Private Limited	32.90	32.90
	Chhabra Healthcare Solutions Private Limited	35.00	35.00
	Getwell Medicare Solution Private Limited	68.00	68.00
	Avenues Pharma Distributors Private Limited	0.10	0.10
	Barros Enterprises Pvt Ltd	0.10	0.10
	Chethana Healthcare Solutions Private Limited	1.00	1.00
	Chethana Pharma Private Limited	3.00	3.00
	Chirag Medicare Solutions Private Limited	1.00	1.00
	Jaggi Enterprises Private Limited	0.10	0.10
	Millennium Medisolutions Private Limited	0.10	0.10
	Rada Medisolutions Private Limited	0.10	0.10
	Sesha Balajee Medisolutions Pvt Ltd	0.10	0.10
	SVMED Solutions Private Limited	0.10	0.10
	Vasavi Medicare Solutions Private Limited	0.10	0.10
	Chethana Pharma Distributors Private Limited	0.10	0.10
	Sree Venkateshwara Medisolutions Private Limited	0.10	0.10
	CPD Pharma Private Limited	10.10	10.10
	Calcutta Medisolutions Private Limited	0.10	0.10
	Curever Pharma Private Limited	0.10	0.10
	Rimedio Pharma Private Limited	0.10	0.10
	Quomed Life Sciences Private Limited	0.10	0.10
	Western Healthcare Solutions Private Limited	0.10	0.10
	Atreja Healthcare Solutions Private Limited	0.10	0.10
	City Pharma Distributors Private Limited	0.10	0.10
	Swami Medisolutions Private Limited	0.10	0.10
	Saurashtra Medisolutions Private Limited	0.10	0.10
	SVS Lifesciences Private Limited	0.10	0.10
	S.S. Pharma Traders Private Limited	0.10	0.10
	New Siva Agencies Private Limited	0.10	0.10
	New RRPD Private Limited	0.10	0.10
	Sri Rama Pharmaceutical Distributors Private Limited	0.10	0.10
	Sri parshva Pharma Distributors private limited	0.10	0.10
	Entero R S Enterprises Private limited	0.10	-
	Dhanvanthri Super Speciality Private Limited	0.08	-
	Zennx Software Solutions Private Limited	0.10	0.10

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Commission Expense	Novacare Healthcare Solutions Private Limited	8.26	12.44

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Reimbursement of expenses	Curever Pharma Private Limited	-	-

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Trade payables	Jaggi Enterprises Private Limited	1.40	1.48
	R S M Pharma Private Limited	-	-
	Millennium Medisolutions Private Limited	3.73	4.06
	G.S.Pharmaceutical Distributors Private Limited	0.12	2.89
	Galaxystar Pharma Distributors Private Limited	63.59	1.46
	Sesha Balajee Medisolutions Private limited	1.30	(0.04)
	Calcutta Medisolutions Private Limited	-	0.17
	Novacare Healthcare Solutions Private Limited	73.11	26.55
	Getwell Medicare Solution Private Limited	0.30	0.27
	Avenues Pharma Distributors Private Limited	0.01	0.01
	Rada Medisolutions Private Limited	(0.32)	0.09
	Sree Venkateshwara Medisolutions Private Limited	(0.00)	0.09
	Atreja Healthcare Solutions Private Limited	1.25	0.69
	SVS Lifesciences Private Limited	0.51	0.65
	Curever Pharma Private Limited	4.46	-
	Vasavi Medicare Solutions Private Limited	0.00	-
	Barros Enterprises Private limited	(0.01)	-
	SS Pharma Traders Private Limited	0.02	-
	Chhabra Healthcare Solutions Private Limited	0.71	(1.29)

Nature of Transaction	Name of the related party	As at 31st March, 2024	As at 31st March, 2023
Corporate guarantee Commission	RSM Pharma Private Limited	3.40	-
	Galaxystar Pharma Distributors Private Limited	2.10	-
	SVMED Solutions Private Limited	0.50	-
	Vasavi Medicare Solutions Private Limited	0.40	-
	Sesha Balajee Medisolutions Private Limited	0.50	-
	Jaggi Enterprises Private Limited	1.20	-
	Western Healthcare Solutions Private Limited	1.30	-
	Sri Parshva Pharma Distributors private limited	4.00	-
	Millennium Medisolutions Private Limited	2.30	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Cross- Charge	Novacare Healthcare Solutions Private Limited	20.56	-
	G.S.Pharmaceutical Distributors Private Limited	3.85	-
	R S M Pharma Private Limited	11.92	-
	Getwell Medicare Solution Private Limited	6.96	-
	Sundarlal Pharma Distributors Private Limited	1.41	-
	Chhabra Healthcare Solutions Private Limited	5.92	-
	Galaxystar Pharma Distributors Private Limited	13.29	-
	Avenues Pharma Distributors Private Limited	9.88	-
	Chirag Medicare Solutions Private Limited	7.88	-
	Jaggi Enterprises Private Limited	5.70	-
	Chethana Healthcare Solutions Private Limited	1.95	-
	Vasavi Medicare Solutions Private Limited	4.35	-
	SVMED Solutions Private Limited	3.42	-
	Chethana Pharma Private Limited	7.88	-
	Millennium Medisolutions Private Limited	10.57	-
	Rada Medisolutions Private Limited	2.75	-
	Sesha Balajee Medisolutions Private limited	3.41	-
	Barros Enterprises Private limited	2.43	-
	Chethana Pharma Distributors Private Limited	0.27	-
	Sree Venkateshwara Medisolutions Private limited	2.84	-
	CPD Pharma Private limited	0.35	-
	Calcutta Medisolutions Private limited	0.62	-
	Curever Pharma Private Limited	-	-
	Western Healthcare Solutions Private limited	4.79	-
	Atreja Healthcare Solutions Private limited	1.11	-
	City Pharma Distributors Private limited	1.01	-
	Swami Medisolutions Private limited	2.36	-
	New Siva Agencies Private Limited	2.94	-
	New RRPD Private Limited	2.58	-
	Sri Rama Pharmaceutical Distributors Private limited	13.93	-
	Sri Parshva Pharma Distributors Private Limited	10.65	-
	Saurashtra Medisolutions Private limited	1.48	-
	SVS Lifesciences Private limited	2.81	-
	SS Pharma Traders Private Limited	4.59	-
	Entero R S Enterprises Private limited	2.32	-
	Dhanvanthri Super Speciality Private Limited	0.85	-

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

D. Key management personnel compensation:

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Director Remuneration:		
Salaries and Allowances	85.78	61.36

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the Company as a whole and hence excluded.

- E. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 46 DISCLOSURE RELATED TO LEASES

Company as Lessee

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease hold Property	138.73	166.37

(A) Change in Carrying value of right of use assets at the end of the reporting year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	166.37	226.30
Additions	16.14	7.89
Depreciation charge for the year	(43.78)	(44.48)
Deduction during the year	-	(23.34)
Balance at the end of the year	138.73	166.37

(B) Change in Carrying value of lease liabilities at the end of the reporting year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	200.71	254.97
Additions	17.98	7.76
Payment during the year	(60.50)	(56.78)
Gain on modification of lease liability	-	(4.42)
Finance cost	18.20	21.77
Deletion	-	(22.58)
Balance at the end of the year	176.39	200.71

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

(C) Maturity analysis of lease liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Less than one year	61.65	56.06
One to five years	144.16	184.62
More than five years	7.40	14.05
Total undiscounted lease liabilities at reporting year	213.21	254.73
Lease liabilities included in the statement of financial position at the year ended	176.39	200.71

(D) Amounts recognised in statement of profit or loss

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest on lease liabilities	18.20	21.77
Expenses relating to short-term leases	4.14	1.27
Amortisation of Right to Use Assets	43.78	44.48

(E) Amounts recognised in the statement of cash flows

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Cash outflow for leases	60.50	56.78

NOTE 47 STATEMENT OF UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount in US\$	Amount in ₹	Amount in US\$	Amount in ₹
Advance to vendors	0.02	1.98	0.03	2.20

NOTE 48 EMPLOYEE STOCK OPTION PLAN (ESOP)

The board vide its resolution dated 26th August, 2023 approved Entero Employee Stock Option Plan 2023 ("The Plan") for granting Employee Stock Options in the form of equity shares linked to the completion of a minimum year of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the plan.

Once vested, the options remain exercisable for 8 years during the course of employment with the Company or within a period of 2 years from separation subject to conditions mentioned in the Plan.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one number of equity share. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The contractual term of the share options is 4 years and there are no cash settlement alternatives for the employees.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of year	-	-	-	-
Add: Options granted during the year	2,40,700	804.00	-	-
Less: Options exercised during the year	-	-	-	-
Less: Options Lapse during the year	6,800	-	-	-
Options outstanding at the end of year	2,33,900	804.00	-	-
Option exercisable at the end of year	-	-	-	-

The options outstanding at the year ending on 31st March, 2024 with exercise price of ₹ 804 are 233,900 options and a weighted average remaining contractual life of all options are 5.89 years.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs used:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Weighted average fair value of the options at the grant dates (₹)	311.32	-
Dividend yield (%)	0.00%	-
Risk free interest rate (%)	7.15%	-
Expected life of share options (years)	5.89 years	-
Expected volatility (%)	20.50%	-
Weighted average share price (₹)	803.67	-

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme.

Compensation were as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employee option plan 2024	17.67	-
Total Employee Stock Option Scheme Compensation	17.67	-

NOTE 49 UTILISATION OF MONEY RAISED THROUGH PUBLIC ISSUE

During the year ended 31st March, 2024, the Company has completed its Initial Public Offer ("IPO") of 12,720,044 equity shares of face value of ₹ 10/- each comprising of (i) fresh issue of 79,50,569 equity shares at an issue price of ₹ 1,258 per equity share (which includes allotment of 15,268 equity shares under employees reservation at discount of ₹ 119 per equity shares); (ii) an offer for sale of 47,69,475 equity shares at an issue price of ₹ 1,258 per equity share. The Company also listed 30,773,723 existing shares of face value of ₹ 10/- each. As a result 43,493,767 equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 16th February, 2024. The utilization of the proceeds (net of IPO expenses) as on 31st March, 2024 is summarized as below:

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Particulars	Utilisation as per prospectus	Utilisation up to 31st March, 2024	Unutilised upto 31st March, 2024
Repayment/prepayment in full or part, of certain borrowings availed of by our company	1,425.00	1,425.00	-
Funding of long term working capital requirements of the company and its subsidiaries	4,800.00	1,579.50	3,220.50
Inorganic growth initiative through acquisitions	2,370.00	-	2,370.00
General corporate purposes	918.30	102.70	815.60
Total	9,513.30	3,107.20	6,406.10

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	For the year ended 31st March, 2024
Balance amount in current account	0.50
Investment in fixed deposits of banks	6,405.60
Total	6,406.10

The Company has incurred 779.31 million as IPO related expenses and allocated such expenses between the Company 486.70 million and selling shareholders 292.60 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of 486.70 million, 486.15 million has been adjusted to securities premium.

NOTE 50 DISCLOSURE REQUIRED FOR BORROWING BASED ON SECURITY OF CURRENT ASSETS

The Company has not been sanctioned working capital limits in excess of ₹ 50 million, in aggregate from banks or financial institutions on the basis of security of current assets.

NOTE 51 EVENTS OCCURRED AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. After the reporting date, The Company has entered into a share purchase agreement for purchase of 8000 equity shares at ₹ 10 each (80% stake) in Avenir Lifecare Pharma Private Limited (ALPPL) on 7th May, 2024, resulting in ALPPL becoming the subsidiary of the company.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 52 DETAILS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEE GIVEN COVERED U/S 186(4) OF THE COMPANIES ACT, 2013

A. Loans given by the Company *

Nature of Transactions (Loan given)	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2024	Loans Balance as at the beginning of the year (i.e. 1st April, 2023)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2024)	Maximum amount outstanding at any time during the year
Atreja Healthcare Solutions Pvt Ltd	Working Capital	13%	45.60	5.00	-	50.60	50.60
Avenues Pharma Distributors Pvt. Ltd.	Working Capital	13%	343.10	214.00	25.00	532.10	552.10
Barros Enterprises Pvt Ltd	Working Capital	13%	69.03	30.00	30.38	68.65	69.03
Calcutta Medisolutions Pvt Ltd	Working Capital	13%	35.40	17.50	-	52.90	52.90
Chethana Healthcare Solutions Pvt. Ltd	Working Capital	13%	44.70	20.00	12.90	51.80	51.80
Chethana Pharma Private Limited	Working Capital	13%	15.15	126.00	41.15	100.00	100.00
Chethana Pharma Distributors Pvt Ltd	Working Capital	13%	15.00	0.50	-	15.50	15.50
Chhabra Healthcare Solutions Pvt Ltd	Working Capital	13%	109.94	61.00	36.24	134.70	134.70
Chirag Medicare Solutions Pvt Ltd	Working Capital	13%	21.58	126.00	47.58	100.00	100.00
City Pharma Distributor Pvt Ltd	Working Capital	13%	36.70	10.00	-	46.70	46.70
CPD Pharma Private Limited	Working Capital	13%	28.23	-	-	28.23	28.23
Curever Pharma Private Limited	Working Capital	13%	355.10	92.45	90.00	357.55	357.55
Dhanvanthri Super Speciality Private Limited	Working Capital	13%	-	57.73	-	57.73	57.73
Entero R S Enterprises Pvt Ltd	Working Capital	13%	-	50.00	50.00	-	50.00
Galaxystar Pharma Distributors Pvt. Ltd.	Working Capital	13%	55.54	218.00	45.00	228.54	228.54

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transactions (Loan given)	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2024	Loans Balance as at the beginning of the year (i.e. 1st April, 2023)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2024)	Maximum amount outstanding at any time during the year
Getwell Medicare Solution Pvt. Ltd.	Working Capital	13%	68.13	185.00	103.13	150.00	200.00
G.S. Pharmaceutical Distributors Pvt. Ltd.	Working Capital	13%	118.00	94.50	-	212.50	212.50
Jaggi Enterprises Pvt. Ltd.	Working Capital	13%	157.07	5.00	-	162.07	162.07
Millennium Medisolutions Pvt Ltd	Working Capital	13%	234.98	137.50	40.73	331.75	331.75
New RRPD Private Limited	Working Capital	13%	59.30	123.80	94.63	88.47	88.47
New Siva Agencies Private Limited	Working Capital	13%	65.90	114.40	93.33	86.97	86.97
Novacare Healthcare Solutions Pvt Ltd	Working Capital	13%	221.44	220.00	-	441.44	441.44
Rada Medisolutions Pvt. Ltd.	Working Capital	13%	65.35	381.48	358.96	87.87	147.87
RSM Pharma Private Limited	Working Capital	13%	112.08	295.50	305.91	101.67	301.67
Saurashtra Medisolutions Pvt Ltd	Working Capital	13%	101.30	103.70	87.45	117.55	137.55
Sesha Balajee Medisolutions Pvt Ltd	Working Capital	13%	127.36	91.50	111.14	107.72	207.86
Sree Venkateshwara Medisolutions Pvt Ltd	Working Capital	13%	57.85	11.70	-	69.55	69.55
Sri Parshva Pharma Distributors Pvt Ltd	Working Capital	13%	368.28	159.00	45.63	481.65	481.65
Sri Rama Pharmaceutical Distributors Pvt Ltd	Working Capital	13%	476.93	575.80	370.34	682.39	888.43
S S Pharma Traders Private Limited	Working Capital	13%	136.54	238.24	165.40	209.38	244.64
Sundarlal Pharma Distributors Pvt. Ltd.	Working Capital	13%	79.62	23.00	7.73	94.89	102.62
SVMED Solutions Pvt. Ltd.	Working Capital	13%	136.31	152.60	145.66	143.25	274.41

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transactions (Loan given)	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2024	Loans Balance as at the beginning of the year (i.e. 1st April, 2023)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2024)	Maximum amount outstanding at any time during the year
SVS Lifesciences Pvt Ltd	Working Capital	13%	65.00	83.11	67.94	80.17	109.40
Swami Medisolutions Pvt Ltd	Working Capital	13%	70.45	7.00	-	77.45	77.45
Vasavi Medicare Solutions Pvt Ltd	Working Capital	13%	118.54	118.00	99.24	137.30	230.54
Western Healthcare Solutions Pvt Ltd	Working Capital	13%	127.70	149.50	75.25	201.96	214.46
Total			4,143.21	4,298.51	2,550.72	5,891.00	

Entity Name	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2023	Loans Balance as at the beginning of the year (i.e. 1st April, 2022)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2023)	Maximum amount outstanding at any time during the year
Atreja Healthcare Solutions Pvt Ltd	Working Capital	11%	36.10	9.50	-	45.60	45.60
Avenues Pharma Distributors Pvt. Ltd.	Working Capital	11%	321.10	22.00	-	343.10	343.10
Barros Enterprises Pvt Ltd	Working Capital	11%	81.53	-	12.50	69.03	81.53
Calcutta Medisolutions Pvt Ltd	Working Capital	11%	17.40	18.00	-	35.40	35.40
Chethana Healthcare Solutions Pvt. Ltd	Working Capital	11%	62.70	-	18.00	44.70	62.70
Chethana Pharma Private Limited	Working Capital	11%	99.15	-	84.00	15.15	99.15
Chethana Pharma Distributors Pvt Ltd	Working Capital	11%	11.00	4.00	-	15.00	15.00
Chhabra Healthcare Solutions Pvt Ltd	Working Capital	11%	80.94	29.00	-	109.94	109.94
Chirag Medicare Solutions Pvt Ltd	Working Capital	11%	90.58	-	69.00	21.58	90.58

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Entity Name	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2023	Loans Balance as at the beginning of the year (i.e. 1st April, 2022)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2023)	Maximum amount outstanding at any time during the year
City Pharma Distributor Pvt Ltd	Working Capital	11%	34.70	2.00	-	36.70	36.70
CPD Pharma Private Limited	Working Capital	11%	20.44	7.79	-	28.23	28.23
Curever Pharma Private Limited	Working Capital	11%	104.20	250.90	-	355.10	355.10
Galaxystar Pharma Distributors Pvt. Ltd.	Working Capital	11%	72.44	32.50	49.40	55.54	72.44
Getwell Medicare Solution Pvt. Ltd.	Working Capital	11%	106.13	-	38.00	68.13	106.13
G.S. Pharmaceutical Distributors Pvt. Ltd.	Working Capital	11%	125.69	12.50	20.18	118.00	128.69
Jaggi Enterprises Pvt. Ltd.	Working Capital	11%	158.07	-	1.00	157.07	158.07
Millennium Medisolutions Pvt Ltd	Working Capital	11%	199.98	35.00	-	234.98	234.98
New RRPD Private Limited	Working Capital	11%	59.30	-	-	59.30	59.30
New Siva Agencies Private Limited	Working Capital	11%	65.90	-	-	65.90	65.90
Novacare Healthcare Solutions Pvt Ltd	Working Capital	11%	215.94	25.00	19.50	221.44	236.44
Rada Medisolutions Pvt. Ltd.	Working Capital	11%	95.90	48.50	79.05	65.35	142.40
RSM Pharma Private Limited	Working Capital	11%	112.06	10.00	9.98	112.08	117.06
Saurashtra Medisolutions Pvt Ltd	Working Capital	11%	-	101.30	-	101.30	101.30
Sesha Balajee Medisolutions Pvt Ltd	Working Capital	11%	124.36	3.00	-	127.36	127.36
Sree Venkateshwara Medisolutions Pvt Ltd	Working Capital	11%	35.35	22.50	-	57.85	57.85
Sri Parshva Pharma Distributors Pvt Ltd	Working Capital	11%	243.69	148.10	23.50	368.28	368.28

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Entity Name	Purpose for which the loan is proposed to be utilised by the recipient	Rate of interest for loan outstanding as on 31st March, 2023	Loans Balance as at the beginning of the year (i.e. 1st April, 2022)	Loans given to subsidiaries	Loans repaid by subsidiaries	Balance as at the end of the year (i.e. 31st March, 2023)	Maximum amount outstanding at any time during the year
Sri Rama Pharmaceutical Distributors Pvt Ltd	Working Capital	11%	122.03	354.90	-	476.93	476.93
S S Pharma Traders Private Limited	Working Capital	11%	-	136.54	-	136.54	136.54
Sundarlal Pharma Distributors Pvt. Ltd.	Working Capital	11%	79.62	-	-	79.62	79.62
SVMED Solutions Pvt. Ltd.	Working Capital	11%	107.59	54.50	25.78	136.31	136.31
SVS Lifesciences Pvt Ltd	Working Capital	11%	-	65.00	-	65.00	65.00
Swami Medisolutions Pvt Ltd	Working Capital	11%	62.30	8.15	-	70.45	70.45
Vasavi Medicare Solutions Pvt Ltd	Working Capital	11%	112.04	6.50	-	118.54	118.54
Western Healthcare Solutions Pvt Ltd	Working Capital	11%	137.50	47.00	56.80	127.70	165.50
Total			3,195.73	1,454.18	506.70	4,143.21	

B. Corporate Guarantee Given by the Company**

Subsidiary Name	Balance as at the end of the year (i.e. 31st March, 2024)	Balance as at the end of the year (i.e. 31st March, 2023)
Novacare Healthcare Solutions Private Limited	560.00	500.00
Getwell Medicare Solution Private Limited	260.00	250.00
Avenues Pharma Distributors Private Limited	350.00	350.00
Chethana Healthcare Solutions Private Limited	50.00	50.00
Chirag Medicare Solutions Private Limited	180.00	150.00
RSM Pharma Private Limited	340.00	250.00
G.S.Pharmaceutical Distributors Private Limited	140.00	120.00
Chhabra Healthcare Solutions Private Limited	100.00	50.00
Sundarlal Pharma Distributors Private Limited	-	70.00
Galaxystar Pharma Distributors Private Limited	210.00	150.00

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Subsidiary Name	Balance as at the end of the year (i.e. 31st March, 2024)	Balance as at the end of the year (i.e. 31st March, 2023)
SVMED Solutions Private Limited	150.00	150.00
Vasavi Medicare Solutions Private Limited	115.00	150.00
Rada Medisolutions Private Limited	100.00	100.00
Barros Enterprises Private Limited	67.00	67.00
Sesha Balajee Medisolutions Private Limited	125.00	150.00
Jaggi Enterprises Private Limited	120.00	120.00
Western Healthcare Solutions Private Limited	130.00	80.00
Chethana Pharma Private Limited	180.00	150.00
Sri Rama Pharmaceutical Distributors Private Limited	320.00	158.64
Sri Parshva Pharma Distributors private limited	400.00	228.84
Millennium Medisolutions Private Limited	230.00	150.00
Entero R.S.Enterprises Private Limited	150.00	-
Saurashtra Medisolutions Private Limited	40.00	-
SS Pharma Traders Private Limited	70.00	-
SVS LifeSciences Private Limited	40.00	-
New RRPD Private Limited	50.00	-
New Siva Agencies Private Limited	50.00	-
Dhanvanthri Super Speciality Private Limited	250.00	-
Curever Pharma Private Limited	-	-
Total	4,777.00	3,444.47

C. Investment Made by the Company

Subsidiary Name	Balance as at the end of the year (i.e. 31st March, 2024)	Balance as at the end of the year (i.e. 31st March, 2023)
Investment in equity shares (Refer note 8)	405.38	405.20
Total	405.38	405.20

*The Company has provided unsecured loan to related parties which are repayable on demand.

** The Company has issued corporate guarantees for the loans and credit facility arrangements availed by its subsidiaries.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 53 FOREIGN EXCHANGE AND EXPENDITURE:

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount in US\$	Amount in ₹	Amount in US\$	Amount in ₹
Value of import calculated on C.I.F. basis				
Purchase of Stock-in-trade	0.34	28.61	0.55	44.34
Total	0.34	28.61	0.55	44.34

NOTE 54 CORPORATE SOCIAL RESPONSIBILITY

The provision of section 135 of the Companies Act, 2013 are applicable to the Company. However, the Company does not have adequate profits as computed under section 198 of the Companies Act, 2013 and hence, the Company is not required to spend any amounts during the current financial year for Corporate Social Responsibility.

NOTE 55 RATIO ANALYSIS

Particulars	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance (%)	Reason for Variance
a) Current Ratio	Current Assets	Current Liabilities	12.99	5.00	159.89%	Due to repayment of borrowings in current year as compared to net proceeds from borrowings in previous year
(b) Debt-Equity Ratio*	Short term and long term borrowings	Total Equity	-	0.16	-100.00%	Due to repayment of borrowings in current year as compared to net proceeds from borrowings in previous year
(c) Debt Service Coverage Ratio*	Earning before Interest and Tax	Debt services	2.09	(0.10)	-2154.74%	Due to repayment of borrowings in current year as compared to net proceeds from borrowings in previous year
(d) Return on Equity Ratio	Net Profit After Tax	Total Equity	0.03	(0.02)	-257.86%	Due to higher Earnings before finance costs, exceptional items and Tax.
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	1.76	1.19	48.08%	Due to increased in Revenue and better management of inventory days.
(f) Trade Receivables turnover ratio	Net credit sales	Average Trade receivables	3.39	2.80	20.90%	-
(g) Trade payables turnover ratio	Credit purchases	Average Trade payable	4.78	3.25	47.07%	Due to reduction of Credit period
(h) Net capital turnover ratio	Sales	Working Capital (Current Assets-Current Liabilities)	0.21	0.33	-37.12%	Due to increase in current year Revenue as compared to previous year

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

Particulars	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance (%)	Reason for Variance
(i) Net profit ratio	Net profit after tax	Net Sales	0.12	(0.07)	272.36%	Due to increase in current year Revenue as compared to previous year
(j) Return on Capital employed	Earning before Interest and Tax	Capital Employed	0.04	(0.00)	-9294.98%	Due to increase in current year Revenue as compared to previous year
(k) Return on investment	Net profit after tax	Average Total Assets	0.03	(0.02)	-274.12%	Decreased ratio due to increase in employee benefits & finance cost over a period for business growth.

*Ratios not calculated as the Company has no outstanding debt at 31st March, 2024.

NOTE 56 OTHER STATUTORY INFORMATION:

(i) Details of benami property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Relationships with struck off companies

The Company does not have any transactions with companies struck off.

(iii) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31st March, 2024.

(v) Utilisation of borrowings availed from banks and financial institutions

The Company has not advanced or extended loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) Undisclosed Income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or by any government authorities.

Notes forming part of the Standalone Financial Statements

for the year ended 31 March, 2024

(Amount in Millions, unless otherwise stated)

(viii) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Company during the current and previous year.

(xi) Valuation of PPE, intangible assets and Investment property

The company has not revalued its property, plant and equipment (Including Right of use assets) or intangible assets or both during the current or previous year.

(xii) Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the dates when such changes were made and ensuring that the audit trail cannot be disabled.

The Company used an accounting software for revenue, billing and receivables, purchase and payables and inventory management during the year ended 31st March, 2024, which has a feature of recording the audit trail (edit log) facility. The same has been enabled at the application as well as database level except that the database did not capture complete log of changes, wherein it did not capture one particular characteristics of the changes made.

Further, the audit trail feature operated throughout the year for all the relevant transactions recorded in the software application, except for the log of one particular characteristics of the changes made during the year for all the relevant transactions recorded therein. Further there were no instances of audit trail feature being tampered with in respect of this software.

(xiii) Backup of books of accounts

The company uses software applications to maintain its books of accounts and other books and papers in electronic mode ("Electronic records"). During the year, the Company has maintained backups of these electronic records on server physically located in India on daily basis, as required by Companies (Accounts) Rules, 2014 (as amended).

NOTE 57

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

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

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Mumbai

29th May, 2024

For and on behalf of the Board of Directors

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Mumbai

29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Mumbai

29th May, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of **Entero Healthcare Solutions Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of Entero Healthcare Solutions Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their Consolidated state of affairs of the Group as at 31st March, 2024, of Consolidated Profit and Other Comprehensive Income,

Consolidated Changes in Equity and its Consolidated Cash Flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31st March, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Revenue recognition</p> <p>Revenue is recognised on transfer of control of goods to the customers at the point in time when the goods are delivered.</p> <p>Revenue is one of the key performance indicators for the Group and may be subject to stakeholder expectations. We recognise the risk of “revenue recognition” in an inappropriate period due to the time lag between recognition and delivery, especially in case of transactions undertaken towards the end of the period. Consequently, we have identified “revenue recognition” as a Key Audit Matter.</p>	<p>Our audit procedures in respect of this area are as set out below:</p> <ol style="list-style-type: none"> 1. Reviewed appropriateness of the Group’s accounting policies for revenue recognition in view of the requirements of the applicable Financial Reporting Framework (IND AS 115); 2. Obtained an understanding of the systems, processes and controls implemented by the Group around the “revenue recognition” process; 3. Evaluated the design effectiveness of the key controls with respect to the “revenue recognition” process and tested the operating effectiveness of these controls; 4. Tested the design and operating effectiveness of the Information Technology general controls by involving IT Specialists of the software applications used by the Group for recording the “revenue” transactions; 5. Performed substantive tests by selecting samples of revenue transactions (statistical sampling) recognised during the year by verifying the underlying documents; 6. Tested periodic reconciliations of taxes collected on revenue recognised and payments thereof during the year with the statutory filings (Goods and Service Tax challans and returns); 7. Specifically verified transactions undertaken at the end of the year (before as well as after the year-end) to identify unusual adjustments to revenue, if any; 8. Performed analytical procedures on “revenue recognised” during the year to identify unusual variances, if any; 9. Reviewed the adequacy of disclosures in respect of revenue in the Consolidated Financial Statements.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Holding Company’s Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the –Management report, Chairman’s statement, Director’s report, Business Responsibility and Sustainability Reporting etc but does not include the Consolidated Financial Statements and our auditor’s report thereon. The Management report, Chairman’s statement, Director’s report, Business Responsibility and Sustainability Reporting etc is expected to be made available to us after the date of this auditor’s report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information

identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Management report, Chairman’s statement, Director’s report, Business Responsibility and Sustainability Reporting etc, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 ‘The Auditor’s responsibilities Relating to Other Information’.

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

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements

of the Act that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and 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 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 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 Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

We did not audit the financial statements of 23 subsidiaries, whose financial statements reflect total assets of Rs 4810.72 Million as at 31st March, 2024, total revenues of Rs 9828.98 Million and net cash flows amounting to Rs 204.70 Million for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited 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.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

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 the reports of the other auditors on the Separate Financial Statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except that in case of seven subsidiaries no backups were taken on Sundays and in case of one subsidiary only monthly backup was taken during the year and except for the matters stated in paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India , none of the directors of the Group companies, incorporated in India are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial position of the Group- Refer Note 44 to the Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India , during the year ended 31st March, 2024.
 - iv. 1. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 3. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April, 2023.

Based on our examination, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies incorporated in India have used various accounting softwares for maintaining their respective books of account for the year ended 31st March, 2024, which have a feature of recording an audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, and further, we did not come across any instance of audit trail feature being tampered with except-

- (i) In case of seven subsidiary companies incorporated in India, the audit trail (edit log) feature was not available in the software applications either at application level or at database level;

- (ii) In case of two subsidiary companies incorporated in India, although the software applications had an audit trail (edit log) feature at application as well as at database level, however it was not enabled during the year.
- (iii) In case of the Holding Company and three subsidiary companies incorporated in India, the audit trail (edit log) feature was available at application level as well as at database level, which was enabled during the year to log the changes made. However, the edit logs did not capture one particular characteristic of the changes made during the year.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

- 2. In our opinion, according to information and explanations given to us, the remuneration paid by the Group, to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the respective auditors of the subsidiaries in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the Consolidated Financial Statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1	Avenues Pharma Distributors Private Limited	U24239KA2019PTC122720	Subsidiary	3 (xvii)
2	G.S. Pharmaceutical Distributors Private Limited	U74999MH2017PTC300189	Subsidiary	3 (xvii)
3	Jaggi Enterprises Private Limited	U74999DL2017PTC317744	Subsidiary	3 (xvii)
4	Novacare Healthcare Solutions Private Limited	U51900MH2018PTC309987	Subsidiary	3 (xvii)
5	Rada Medisolutions Private Limited	U51397TN2019PTC128334	Subsidiary	3 (xvii)
6	Sri Parshva Pharma Distributors private limited	U85300KA2021PTC154908	Subsidiary	3 (xvii)
7	SVMED Solutions Private Limited	U51397AP2019PTC111697	Subsidiary	3 (xvii)
8	Vasavi Medicare Solutions Private Limited	U51909TZ2019PTC031869	Subsidiary	3 (xvii)
9	NEW RRPD Private Limited	U51397TN2021PTC147584	Subsidiary	3 (xvii)
10	NEW SIVA AGENCIES Private Limited	U51909TN2021PTC147738	Subsidiary	3 (xvii)
11	City Pharma Distributors Private Limited	U24299KA2021PTC145022	Subsidiary	3 (xvii)
12	Rimedio Pharma Private Limited	U51909MH2020PTC339123	Subsidiary	3 (xvii)
13	Calcutta Medisolutions Private Limited	U51397WB2020PTC236018	Subsidiary	3 (xvii)
14	Curever Pharma Private Limited	U24230MH2021PTC353725	Subsidiary	3 (xvii)
15	Chethana Pharma Distributors Private Limited	U51909KA2020PTC133694	Subsidiary	3 (xvii)
16	Quromed LifeSciences Private Limited	U51100MH2020PTC339126	Subsidiary	3 (xvii)
17	Saurashtra Medisolutions Private Limited	U24304GJ2022PTC128793	Subsidiary	3 (xvii)
18	Sree Venkateshwara Medisolutions Private Limited	U51900TG2020PTC139985	Subsidiary	3 (xvii)
19	Sundarlal Pharma Distributors Private Limited	U51909MH2018PTC315127	Subsidiary	3 (xvii)
20	SVS Lifesciences Private Limited	U24100CT2022PTC013078	Subsidiary	3 (xvii)
21	Zennx Software Solutions Private Limited	U72900MH2021PTC371067	Subsidiary	3 (xvii)
22	Sri Rama Pharmaceutical Distributors Private Limited	U51909TG2021PTC156822	Subsidiary	3 (xvii)
23	Swami Medisolutions Private Limited	U51909PB2021PTC053818	Subsidiary	3 (xvii)
24	Atreja Healthcare Solutions Private Limited	U51909HR2021PTC092908	Subsidiary	3 (xvii)
25	Chhabra Healthcare Solutions Private Limited	U36900DL2018PTC338597	Subsidiary	3 (xvii)
26	CPD Pharma Private Limited	U51909TN2019PTC130073	Subsidiary	3 (xvii)

For **MSK A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 24049902BKCREZ7193

Place: Mumbai

Date: 29th May, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ENTERO HEALTHCARE SOLUTIONS LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 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 Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors 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 or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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 Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year ended 31st March, 2024 (current year) 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijyantimala Belsare
Partner

Place: Mumbai
Date: 29th May, 2024

Membership No. 049902
UDIN: 24049902BKCREZ7193

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ENTERO HEALTHCARE SOLUTIONS LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Entero Healthcare Solutions Limited on the Consolidated Financial Statements for the year ended 31st March, 2024]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls reference to Consolidated Financial Statements of Entero Healthcare Solutions Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March, 2024, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, which are companies incorporated in

India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to 23 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare
Partner

Place: Mumbai
Date: 29th May, 2024

Membership No. 049902
UDIN: 24049902BKCREZ7193

Consolidated Balance Sheet as at 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	410.44	431.76
Right to use assets	5	520.41	536.85
Goodwill	6	1,928.16	1,670.32
Other Intangible assets	7	34.36	38.37
Financial assets			
Other financial assets	10	157.20	79.47
Deferred tax asset (net)	11	190.26	20.08
Non current tax assets (net)	12	99.17	78.72
Total non-current assets		3,340.00	2,855.57
Current assets			
Inventories	13	4,211.55	3,416.28
Financial assets			
Trade receivables	14	6,154.04	5,148.84
Cash and cash equivalents	15	1,476.46	253.62
Bank balances other than cash and cash equivalent	16	7,455.38	814.82
Loans	17	0.69	5.92
Other financial assets	18	258.28	103.74
Other current assets	19	553.35	488.48
Total current assets		20,109.75	10,231.70
Total assets		23,449.75	13,087.27
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	434.94	41.12
Instrument entirely equity in nature	21	-	6,636.14
Other equity	22	15,945.62	(726.99)
Equity attributable to owners of the company		16,380.56	5,950.27
Non-controlling interests	23	33.28	26.34
Total equity		16,413.84	5,976.61

Consolidated Balance Sheet as at 31st March, 2024

(Amount in million, unless otherwise stated)

Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	26	455.41	310.67
Lease liabilities	24	489.69	499.68
Provisions	25	71.11	54.03
Deferred tax liabilities (net)	11	0.26	6.72
Total non-current liabilities		1,016.47	871.10
Current liabilities			
Financial liabilities			
Borrowings	26	2,300.11	3,424.48
Lease liabilities	24	134.53	134.76
Trade payables	27		
i) total outstanding dues of micro enterprises and small enterprises		184.63	44.01
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		2,114.51	2,060.99
Other financial liabilities	28	1,057.25	391.75
Other current liabilities	29	158.64	144.59
Provisions	25	29.36	21.16
Current tax liabilities (net)	12	40.41	17.82
Total current liabilities		6,019.44	6,239.56
Total liabilities		7,035.91	7,110.66
Total equity and liabilities		23,449.75	13,087.27

See accompanying notes to the consolidated financial statements

1-58

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Place: Mumbai

Date: 29th May, 2024

For and on behalf of the Board of Directors of

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Place: Mumbai

Date: 29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Place: Mumbai

Date: 29th May, 2024

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
Income			
Revenue from operations	30	39,223.10	33,002.07
Other income	31	144.13	55.14
Total income		39,367.23	33,057.21
Expenses			
Purchase of stock-in-trade	32	36,278.08	30,512.60
Changes in inventories of stock-in-trade	33	(574.55)	(193.95)
Employee benefits expense	34	1,511.46	1,281.40
Finance costs	35	656.84	489.72
Depreciation and amortization expense	36	250.17	242.37
Other expenses	37	889.68	761.95
Total expenses		39,011.68	33,094.09
Profit/(loss) before tax		355.55	(36.88)
Tax expense			
Current tax	38	133.78	99.65
Deferred tax	38	(176.22)	(25.49)
Total tax expense		(42.44)	74.16
Profit/(loss) for the year		397.99	(111.04)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Other comprehensive income/(loss)		
Items that will not be reclassified to profit or loss		
Remeasurement (losses)/gains on defined benefit plan	(2.58)	8.11
Income tax effect	0.41	(1.48)
Total	(2.17)	6.63
Items that will be reclassified to profit or loss	-	-
Other comprehensive income for the year, net of tax	(2.17)	6.63
Total comprehensive income/(loss) for the year	395.82	(104.41)
Profit/(loss) attributable to		
Owners of the Company	391.09	(115.57)
Non-controlling interest	6.90	4.53
	397.99	(111.04)
Total comprehensive income attributable to		
Owners of the Company	388.92	(109.00)
Non-controlling interest	6.90	4.59
	395.82	(104.41)
Earning/Loss per share	39	
Basic (₹)	10.81	(0.18)
Diluted (₹)	10.81	(0.18)

See accompanying notes to the consolidated financial statements

1-58

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For **M S K A & Associates**
Chartered Accountants
Firm's Registration No: 105047W

Vaijayantimala Belsare
Partner
Membership No: 049902

Place: Mumbai
Date: 29th May, 2024

For and on behalf of the Board of Directors of
Entero Healthcare Solutions Limited
CIN: L74999HR2018PLC072204

Prabhat Agrawal
Managing Director & CEO
DIN: 07466382

Jayant Prakash
Company Secretary
Membership No: FCS-6742
Place: Mumbai
Date: 29th May, 2024

Prem Sethi
Whole Time Director & COO
DIN: 07077034

CV Ram
Chief Financial Officer
Membership No: 206013
Place: Mumbai
Date: 29th May, 2024

Consolidated Statement of changes in equity for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1st April, 2022	38.50
Add: issued during the year	2.62
Balance as at 31st March, 2023	41.12
Balance as at 1st April, 2023	41.12
Add: Issued during the year through initial public offer	79.50
Add: CCPS converted to equity share of face value ₹ 10	314.32
Balance as at 31st March, 2024	434.94

(B) OTHER EQUITY

Particulars	Instruments entirely equity in nature	Retained earnings	Reserve and surplus Security Premium Reserve	Employee Stock option reserve	Total equity attributable to owners	Attributable to Non controlling interest	Total Equity
As at 1st April, 2022	6,189.90	(617.99)	-	-	5,571.91	21.75	5,593.66
Changes during the year							
Issued during the year	446.24	-	-	-	446.24	-	446.24
Profit/(Loss) for the year	-	(115.57)	-	-	(115.57)	4.53	(111.04)
Other comprehensive income for the year	-	6.57	-	-	6.57	0.06	6.63
As at 31st March, 2023	6,636.14	(726.99)	-	-	5,909.15	26.34	5,935.49
As at 1st April, 2023	6,636.14	(726.99)	-	-	5,909.15	26.34	5,935.49
Changes during the year							
Non Controlling interest in subsidiary acquired in current year	-	-	-	-	-	0.02	0.02
Issue of series A5 compulsory convertible preference shares	509.85	-	-	-	509.85	-	509.85
Conversion of compulsory convertible preference shares (series A1, A2, A3, A4 and A5)	(7,145.98)	-	-	-	(7,145.98)	-	(7,145.98)
Security premium on conversion of series A1, A2, A3, A4 and A5 compulsory convertible preference shares.	-	-	6,831.67	-	6,831.67	-	6,831.67
Security premium on issue of shares through initial public offer	-	-	9,920.49	-	9,920.49	-	9,920.49
Profit for the year	-	391.09	-	-	391.09	6.90	397.99
Employee stock option scheme compensation	-	-	-	17.67	17.67	-	17.67
Security premium utilised to write off the share issue expenses	-	-	(486.15)	-	(486.15)	-	(486.15)
Other comprehensive income for the year	-	(2.17)	-	-	(2.17)	0.02	(2.15)
Total	0.00	(338.07)	16,266.01	17.67	15,945.62	33.28	15,978.90
As at 31st March, 2024	0.00	(338.07)	16,266.01	17.67	15,945.62	33.28	15,978.90

See accompanying notes to the consolidated financial statements 1-58

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

For and on behalf of the Board of Directors of

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Place: Mumbai

Date: 29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Place: Mumbai

Date: 29th May, 2024

Place: Mumbai

Date: 29th May, 2024

Consolidated Statement of Cash Flows for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash flow from operating activities		
Profit/(Loss) before tax	355.55	(36.88)
Adjustments for:		
Depreciation and amortization expense	250.17	242.37
Finance costs	656.84	489.72
Provision for expected credit loss	75.17	53.79
Profit on sale of property, plant and equipment	(0.36)	-
Interest income	(130.99)	(40.90)
Interest income on income tax refund	(2.33)	-
Provision for sales return	-	(33.42)
Employee stock option expenses	17.67	-
	1,221.72	674.68
Changes in working capital		
(Increase) in inventories	(581.83)	(193.94)
Decrease in loans	5.22	4.30
(Increase) in trade receivables	(667.19)	(1,337.18)
(Increase) in other financial assets	(116.28)	(10.69)
(Increase)/Decrease in other current assets	(64.77)	5.67
Decrease in other non current assets	-	2.07
Increase in trade payables	15.99	575.85
(Decrease)/Increase in other current liabilities	(48.35)	33.33
(Decrease) in other financial liabilities	(22.75)	(101.08)
Increase in provisions and employee benefits	22.70	18.11
Cash used in operations	(235.54)	(328.88)
Income tax paid	(130.58)	(124.27)
Net cash flows used in operating activities (A)	(366.12)	(453.15)
Cash flow from investing activities		
Purchase consideration paid towards acquisitions of business	(418.08)	(245.74)
Purchase of property, plant and equipment, intangible including movement in CWIP and capital advances	(54.16)	(55.19)
Proceeds from sale of property, plant and equipment	7.25	-
Interest received	94.71	40.90
Net fixed deposit having maturity more than three months with bank placed	(6,680.94)	(225.92)
Net cash used in investing activities (B)	(7,051.22)	(485.95)
Cash flow from financing activities		
Proceeds from issue of equity share capital	10,000.00	2.62
Proceeds from issue of compulsory convertible preference shares	509.85	446.24
Share issue expenses	(73.72)	-
Proceeds from long-term borrowings	615.00	884.87
(Repayment) of long-term borrowings	(1,102.44)	-
(Repayment) of short-term borrowings (net)	(500.18)	-
Proceeds from issue of non convertible debentures	900.00	-
Redemption of non convertible debentures	(900.00)	-
Principal payment of lease liabilities	(158.18)	(116.37)
Finance costs paid	(660.93)	(489.72)
Net cash generated from financing activities (C)	8,629.40	727.64
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,212.06	(211.46)
Cash and cash equivalents at the beginning of the year	253.62	465.08

Consolidated statement of cash flows for the year ended 31st March, 2024

(Amount in million, unless otherwise stated)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Add : on acquisition of business	10.78	-
Cash and cash equivalents at the end of the year	1,476.46	253.62
Cash and cash equivalents comprise (Refer note 15)		
Balances with banks		
On current accounts	1,195.76	217.46
Fixed deposits with maturity of less than 3 months	247.65	5.34
Cash on hand	32.96	29.61
Cheques on hand	0.09	1.21
Total cash and bank balances at end of the year	1,476.46	253.62

Reconciliation of the movements of liabilities to cash flows arising from financing activities.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening balance		
Cash credit facility	2,338.91	1,810.65
Term Loan	1,333.14	1,030.26
Loans and advances from Others	63.10	9.36
Interest accrued and due on borrowings	6.32	1.41
Total	3,741.47	2,851.69
Movement		
Cash flows-Cash Credit facility	(81.05)	528.25
Term Loan	(850.40)	302.88
Loans and advances from Others	(48.18)	53.74
Non convertible debenture	-	-
Interest paid	(549.33)	(262.45)
Interest expenses	545.25	267.36
Closing Balance		
Cash credit facility	2,257.85	2,338.91
Term Loan	482.74	1,333.14
Loans and advances from Others	14.93	63.10
Interest accrued and due on borrowings	2.23	6.32
Total	2,757.75	3,741.47

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition).

See accompanying notes to the consolidated financial statements 1-58

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

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm's Registration No: 105047W

Vaijayantimala Belsare
Partner
Membership No: 049902

Place: Mumbai
Date: 29th May, 2024

For and on behalf of the Board of Directors of
Entero Healthcare Solutions Limited
CIN: L74999HR2018PLC072204

Prabhat Agrawal
Managing Director & CEO
DIN: 07466382

Jayant Prakash
Company Secretary
Membership No: FCS-6742
Place: Mumbai
Date: 29th May, 2024

Prem Sethi
Whole Time Director & COO
DIN: 07077034

CV Ram
Chief Financial Officer
Membership No: 206013
Place: Mumbai
Date: 29th May, 2024

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 1 GROUP INFORMATION:

Entero Healthcare Solutions Limited (the "Group") (formerly known as Entero Healthcare Solutions Private Limited) is a public limited group incorporated in India on 10th January, 2018 having its registered office at Plot No. I-35, Building -B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad, Haryana.

The group got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on 16th February, 2024. These consolidated financial statements comprises the group and its subsidiaries (together referred to as "Entero Group") for year ended 31st March, 2024.

The group is primarily involved in the business of distribution and marketing of pharmaceutical and surgical products and allied services.

NOTE 2 BASIS OF PREPARATION, MEASUREMENT

2.1 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These consolidated financial statements have been prepared on an accrual basis of accounting and on a going concern basis.

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost convention, except for the following material items which are measured on an alternative basis, required by relevant Ind AS, on each reporting date:-

- Certain Financial assets are measured at fair value (refer accounting policy on financial instruments);
- Employee's net Defined Benefit assets/liability as per actuarial valuation; and
- Liabilities for Share-based payments arrangements.

These financial statements comprise the consolidated balance sheet at 31st March, 2024, the consolidated statement of profit and loss (including Other Comprehensive Income), consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31st March, 2024 and 31st March,

2023;

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are approved by the group's Board of Directors on 29th May, 2024.

The consolidated financial statements are presented in Indian Rupees (INR), which is also the group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the group's functional and presentation currency.

Use of Judgements and Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates and judgements that affect the Entero group's accounting policies and the reported amounts of assets and liabilities at the balance sheet date, reported amounts of revenue and expenses for the year and disclosure of contingent liabilities at the balance sheet date. The estimates and Judgements used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances at the reporting date. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized prospectively in the year in which the estimates are revised and in any future years affected.

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements, is included in the following notes:

- Note (48(VI)): Assumptions and estimates uncertainties: Measurement of Defined benefit Obligations: Actuarial assumptions.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

- Note (11): recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and carried forward tax losses can be utilized.
- Note (41): Impairment of intangible assets and goodwill: Key assumptions underlying recoverable amounts.
- Note (44): Recognition and measurement of provisions and contingencies: Key assumptions about the likelihood and magnitude of an outflow of resources embodying economic benefits.
- Note (47(A(i))): measurement of Expected Credit Loss (ECL) allowance for trade receivable and loans: Key assumptions in determining the weighted average loss rate.

Fair value Measurement

The group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the group.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The group's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized into different levels within the fair value hierarchy, described as follows, based on the level of inputs used in the valuation techniques as set out below.

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 –inputs other than quoted prices included in level one and Valuation techniques for which the

lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is based on unobservable market data.

A. Current and non-current classification

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

Assets

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

- it is expected to be realised in, or intended for sale or consumption in, the group's normal operating cycle, which is defined to be of twelve months.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the balance sheet date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

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

Liabilities

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

- it is expected to be realised in, or intended for sale or consumption in, the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the balance sheet date; or
- the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 3 MATERIAL ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION

I. Subsidiaries:

Subsidiaries are entities controlled by the Entero group. The Entero group controls an entity when it is exposed to or has a right to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of the subsidiaries are included in the consolidated financial statement from the date on which control commences until the date on which control ceases.

Consolidation procedure followed is as under:

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, Income and Expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statement as on the acquisition date.

II. Non-controlling interest (NCI)

NCI are measured initially at their proportionate share of the acquired identifiable net assets at the date of acquisition. Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

III. Loss of control:

When a group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other component of equity. Any resulting gain or loss resulting is recognized in statement of profit and loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

IV. Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transaction, are eliminated.

The material accounting policies used in the preparation of the consolidated financial statements

have been included in the relevant notes to the consolidated financial statements.

3.1 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of Property, Plant and Equipment is recognized as an asset if and only if, it is probable that future economic benefits associated with the item, will flow to the group and the cost item can be measured reliably.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises its purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the group are deducted in arriving at the purchase price.

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that the future economic benefits associated with that expenditure will flow to the group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of the Property, Plant and Equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of Property, Plant and Equipment and any significant part are derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition 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.

Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is calculated on the cost of items thereof less their estimated residual values, on straight-line method over their respective estimated useful lives, which is in line with the estimated useful lives as specified in Schedule II of the Companies Act, 2013.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Leasehold Improvement*	Lease Period
Computer and peripherals	3-6
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Plant and Machineries	15
Electrical Installations and Equipment	10

**Leasehold improvements are amortized over the period of the lease or useful life whichever is lower.*

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

3.2 GOODWILL:

Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing. The allocation is made to those CGUs or group of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

3.3 OTHER INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use which includes any trade discounts, rebates,

input tax credit (IGST/ CGST and SGST) or any other tax credit available to the group are deducted in arriving at the purchase price.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over their estimated useful economic lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization period applied to the group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	3-10

3.4 REVENUE RECOGNITION

Revenue from Sale of Goods

Revenue is recognized upon transfer of control of promised goods to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable. Revenue also excludes taxes collected from customers.

Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery.

Invoices are usually payable based on the credit terms agreed with customers which vary up to 90 days.

Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

applicable interest rate. Interest Income is recognized on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.'

Marketing Support

Marketing support income is recognized upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

3.5 TAXES

Income tax expense comprises current and deferred tax. Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax:

Current tax comprises the expected tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. Current tax Assets and liabilities represents the best estimates of the amounts expected to be recovered or paid to the taxation authorities. The Tax Laws and Tax rates used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the group has a legally enforceable right to offset the recognized balances and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination

that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when probability of future taxable profit improve.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.6 INTANGIBLE ASSET UNDER DEVELOPMENT

The group capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

3.7 LEASES

The Group as a lessee

The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

At commencement or on modification of the contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of its relative consolidated prices. However, for the leases of property the group has elected not to separate non lease component and account for the lease and non lease components as a single lease component.

The group recognizes right-of-use asset and lease liability representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset and restoring the site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset whichever is earlier. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses an incremental borrowing rate,

on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The group recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and in the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the group recognizes any remaining amount of the re-measurement in the statement of profit and loss.

For leases with reasonably similar characteristics, the Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The group has elected not to recognize right-of-use asset and lease liability for leases of properties that are having non-cancellable lease term of less than 12 months. The group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.8 INVENTORIES

The inventory comprises traded goods which are stated at the lower of cost and net realisable value. Cost of inventory of traded goods is arrived at based on actual cost of the "batch" which comprises cost of purchase and all other costs incurred in bringing the inventories to their present location and condition.

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

3.9 IMPAIRMENT OF NON-FINANCIAL ASSETS

The group assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the group estimates the asset's recoverable amount and the amount of impairment loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are accompanied together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "Cash-Generating Unit" - CGU).

3.10 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized 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 in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based

on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

The group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources embodying economic benefits or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

3.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash on hand, cash at banks and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Cash and cash equivalents for the purposes of cash flow statement comprise cash on hand and cash at banks and short-term investments with an original maturity of three months.

3.12 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.

(A) Financial assets

(i) Recognition and Initial measurement

At initial recognition, financial asset is measured at its fair value plus or minus, in the case of a financial asset not "at fair value through profit or loss" are measured at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

(ii) Classification and subsequent measurement

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

- at amortized cost; or
- at fair value through other comprehensive income; or
- at fair value through profit or loss.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the related cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

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

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through statement of profit and loss. Interest and dividend income from these financial assets is included in "Other income".

Net gains and losses, including any interest or dividend income are recognized in statement of profit and loss.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the group may make an irrevocable election to present in OCI subsequent changes in the fair value in other comprehensive income. 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 FVOCI, 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 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.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the group reverts to recognizing impairment loss allowance based on 12 months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

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 group expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, a group is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) 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 group is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 90 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the group does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the right to receive cash flows from the financial asset is transferred or

- b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(B) Financial liabilities

(i) Recognition and Initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition of Financial liability

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

(C) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a consolidated derivative. Derivatives embedded in all other host contracts are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(D) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability 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.

3.13 EMPLOYEE BENEFITS

(a) 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 year in which the employees render the related service are recognized in respect of employees' services up to the end of the year 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.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the statement of profit and loss.

The group has no further obligations under these plans beyond its monthly contributions.

(ii) Defined Benefit Plans

Gratuity: The group provides for gratuity, a defined benefit plan (covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

based on the respective employee's salary. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

3.14 FOREIGN CURRENCY TRANSACTIONS

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount

the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.15 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

3.16 SHARE BASED PAYMENTS

Share-based compensation benefits are provided to the employees via the Share based long term incentive scheme.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date represents the extent to which the vesting period has expired and the group's best estimate of the number of equity instruments

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

that will ultimately vest. Expense or credit recorded in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

NOTE 4 RECENT INDIAN ACCOUNTING STANDARDS (IND AS) AND PRONOUNCEMENTS

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 5 PROPERTY, PLANT AND EQUIPMENT*

As at 31st March, 2024

Particulars	Gross Block			Accumulated Depreciation		Net block	
	As at 1st April, 2023	Additions	Acquired through Business Combination	Deductions	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
Leased assets							
Right to Use Asset (Refer Note 40)	985.05	166.80	-	(37.16)	1,094.69	428.20	574.28
Owned assets							
Plant and machineries	100.61	11.45	3.64	(1.60)	114.10	23.53	27.72
Electrical Installations	103.70	4.11	-	(1.04)	106.77	29.27	38.04
Furniture and fixtures	181.99	15.67	0.62	(5.51)	192.77	51.71	68.68
Office equipment	65.65	6.01	0.13	(0.14)	71.65	36.59	47.68
Computer and peripherals	67.80	13.00	0.14	(0.42)	80.52	47.35	59.79
Vehicles	29.93	4.80	1.09	(0.81)	35.01	11.24	15.22
Leasehold improvements	149.57	6.70	-	-	156.27	67.80	89.52
Total	1,664.30	228.54	5.62	(46.68)	1,851.78	695.69	920.92

As at 31st March, 2023

Particulars	Gross Block			Accumulated Depreciation		Net block	
	As at 1st April, 2022	Additions	Acquired through Business Combination	Deductions	As at 31st March, 2023	As at 1st April, 2022	As at 31st March, 2023
Leased assets							
Right to Use Asset (Refer Note 40)	922.09	102.21	-	(59.25)	965.05	305.49	428.20
Owned assets							
Plant and machineries	97.96	3.08	0.79	(1.22)	100.61	11.65	23.53
Electrical Installations	94.70	4.72	4.76	(0.48)	103.70	21.09	29.27
Furniture and fixtures	165.36	16.53	1.68	(1.58)	181.99	37.80	51.71
Office equipment	51.74	13.00	1.25	(0.34)	65.65	24.14	36.59
Computer and peripherals	56.96	10.67	0.42	(0.25)	67.80	30.30	47.35
Vehicles	23.71	6.33	0.34	(0.45)	29.93	6.71	11.24
Leasehold improvements	145.61	4.02	-	(0.06)	149.57	47.71	67.80
Total	1,558.13	160.55	9.24	(63.62)	1,664.30	484.89	695.69

*Property, plant and equipment was pledged as security against certain term loans taken by the Group.

* There is no capital work in progress as at 31st March, 2024 and 31st March, 2023.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 6 GOODWILL

As at 31st March, 2024

Particulars	Gross Block		Impairments		Net block	
	As at 1st April, 2023	Acquired through Business Combination	Deductions/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
Goodwill	1,670.32	265.85	(8.01)	1,928.16	-	1,928.16
Total	1,670.32	265.85	(8.01)	1,928.16	-	1,928.16

As at 31st March, 2023

Particulars	Gross Block		Impairments		Net block	
	As at 1st April, 2022	Acquired through Business Combination	Deductions/ Adjustments	As at 31st March, 2023	As at 1st April, 2022	As at 31st March, 2023
Goodwill	1,502.44	174.38	(6.50)	1,670.32	-	1,670.32
Total	1,502.44	174.38	(6.50)	1,670.32	-	1,670.32

NOTE 7 OTHER INTANGIBLE ASSETS

As at 31st March, 2024

Particulars	Gross Block		Accumulated Amortization		Net block	
	As at 1st April, 2023	Additions	As at 1st April, 2023	For the year	As at 31st March, 2024	As at 31st March, 2024
Computer Software	52.55	0.16	14.18	4.17	18.35	34.36
Total	52.55	0.16	14.18	4.17	18.35	34.36

As at 31st March, 2023

Particulars	Gross Block		Accumulated Amortization		Net block	
	As at 1st April, 2022	Additions	As at 1st April, 2022	For the year	As at 31st March, 2023	As at 31st March, 2023
Computer Software	51.64	0.91	7.64	6.54	14.18	38.37
Total	51.64	0.91	7.64	6.54	14.18	38.37

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 8 INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	-	0.54
Add : Additions during the year	-	-
Less: Capitalized during the year	-	(0.54)
Closing Balance	-	-

There is no intangible asset under development at 31st March, 2024 and 31st March, 2023.

NOTE 9 CAPITAL WORK IN PROGRESS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	-	5.86
Add : Additions during the year	-	-
Less: Capitalized during the year	-	(5.86)
Closing Balance	-	-

There is no Capital work in progress at 31st March, 2024 and 31st March, 2023.

NOTE 10 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Security deposits	102.82	65.47
In deposit accounts with maturity for more than 12 months (refer note 26)*	54.38	14.00
Total	157.20	79.47

*Includes ₹ 54.38 million (31st March, 2023: 14.00 million) fixed deposits pledged against corporate guarantee.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 11 DEFERRED TAX BALANCES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax balances are presented in the balance sheet as follows:		
Deferred tax assets (net)	190.26	20.08
Deferred tax liabilities (net)	(0.26)	(6.72)
Net Deferred tax asset/ (liabilities) (net)	190.00	13.36

Movement in deferred tax for the year ended 31st March, 2024

Particulars	As at 1st April, 2023		Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31st March, 2024	As at 31st March, 2024	
	Deferred tax Asset	Deferred tax liability				Deferred tax Asset	Deferred tax liability
Deferred tax assets							
Expenses provided but allowable in income tax on payment basis	0.19	0.22	(1.39)	-	(0.98)	(1.03)	0.05
Right of use asset and lease liability adjustment	4.99	5.38	17.39	-	27.76	22.89	4.86
Gratuity & leave encashment	5.37	3.67	14.99	0.41	24.43	20.32	4.12
Expected credit loss	6.02	6.31	28.78	-	41.11	36.44	4.67
Unabsorbed depreciation and Carry forward losses	(0.35)	12.54	106.17	-	118.36	115.11	3.25
Property, plant and equipment	0.03	0.06	(0.09)	-	-	-	-
Others	-	-	(0.16)	-	(0.16)	(0.16)	-
	16.25	28.17	165.69	0.41	210.52	193.55	16.97
Deferred tax liabilities							
Property, plant and equipment	(22.97)	(8.09)	10.54	-	(20.52)	(3.29)	(17.23)
	(22.97)	(8.09)	10.54	-	(20.52)	(3.29)	(17.23)
	(6.72)	20.08	176.23	0.41	190.00	190.26	(0.26)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Movement in deferred tax for the year ended 31st March, 2023

Particulars	As at 1st April, 2022		Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31st March, 2023	As at 31st March, 2023	
	Deferrrd tax Asset	Deferred tax liability				Deferrrd tax Asset	Deferred tax liability
Deferred tax assets							
Expenses provided but allowable in income tax on payment basis	0.07	(0.04)	0.38	-	0.41	0.22	0.19
Right of use asset and lease liability adjustment	2.13	6.84	1.40	-	10.37	5.38	4.99
Gratuity & leave encashment	2.24	5.59	2.68	(1.48)	9.03	3.67	5.37
Expected credit loss	1.75	3.82	6.76	-	12.33	6.31	6.02
Unabsorbed depreciation and Carry forward losses	0.62	(3.76)	15.33	-	12.19	12.54	(0.35)
Property, plant and equipment	-		0.09	-	0.09	0.06	0.03
	6.81	12.45	26.64	(1.48)	44.42	28.17	16.25
Deferred tax liabilities							
Property, plant and equipment	(0.04)	(29.88)	(1.14)	-	(31.06)	(8.09)	(22.97)
	(0.04)	(29.88)	(1.14)	-	(31.06)	(8.09)	(22.97)
	6.77	(17.43)	25.50	(1.48)	13.36	20.08	(6.72)

As at 31st March, 2024, unrecognised deferred tax assets amount to 206.26 Million (31st March, 2023 - 376.91 Million). These relate primarily to unabsorbed depreciation, other deductible temporary differences and business losses. The deferred tax asset has not been recognised in the absence of existence of reasonable certainty that future taxable profits will be available against which the deferred tax assets will be utilized.

NOTE 12 NON CURRENT TAX ASSETS AND CURRENT TAX LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance income tax (net)*	99.17	78.72
Total	99.17	78.72
Provision for tax (net)**	40.41	17.82
Total	40.41	17.82

*Represents subsidiaries in which advance income tax exceeds provision for Income tax.

**Represents subsidiaries in which provision for income tax exceeds advance income tax.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 13 INVENTORIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
At lower of cost and net realizable value		
Stock in trade*	4,211.55	3,416.28
Total	4,211.55	3,416.28

**Inventory pledged as security by the group, refer note 26.*

NOTE 14 TRADE RECEIVABLE

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
- Considered good	6,154.04	5,148.84
- Considered doubtful	208.85	132.51
Less: Expected loss allowances	(208.85)	(132.51)
Total	6,154.04	5,148.84
Further classified as:		
Receivable from related parties (Refer note 49)	438.59	185.05
Receivable from others	5,715.45	4,963.79
	6,154.04	5,148.84
The movement in allowance for expected credit loss is as follows:-		
Opening balance	132.51	78.72
Change in allowance for expected credit loss during the year	75.17	53.79
Write off during the year	-	-
Closing balance	208.85	132.51

Trade receivables ageing schedule

As at 31st March, 2024

Particulars/ year	Less Than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivable - considered good	5,694.71	243.34	215.99	-	-	6,154.04
(ii) Undisputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-
(iv) Undisputed trade receivable - considered doubtful	20.45	62.59	-	8.63	117.18	208.85
(v) Disputed trade receivable - considered good	-	-	-	-	-	-
(vi) Disputed trade receivable - considered doubtful	-	-	-	-	-	-
Total	5,715.15	305.93	215.99	8.63	117.18	6,362.89
Less: Allowance for expected credit loss	(20.45)	(62.59)	-	(8.63)	(117.18)	(208.85)
Grand total						6,154.04

There are no unbilled at the year end.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Trade receivables ageing schedule

As at 31st March, 2023

Particulars/ year	Less Than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivable - considered good	4,734.14	265.50	149.20	-	-	5,148.84
(ii) Undisputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-
(iv) Undisputed trade receivable - considered doubtful	-	-	10.24	63.20	59.07	132.51
(v) Disputed trade receivable - considered good	-	-	-	-	-	-
(vi) Disputed trade receivable - considered doubtful	-	-	-	-	-	-
Total	4,734.14	265.50	159.44	63.20	59.07	5,281.35
Less: Allowance for expected credit loss	-	-	(10.24)	(63.20)	(59.07)	(132.51)
Grand total						5,148.84

There are no unbilled at the year end.

NOTE 15 CASH AND CASH EQUIVALENTS*

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks:		
In current accounts*	1,195.76	217.46
Fixed deposits with maturity of less than 3 months (refer note 26) **	247.65	5.34
Cheques/drafts on hand	0.09	1.21
Cash on hand	32.96	29.61
Total	1,476.46	253.62

* The cash and cash equivalents balance includes an amount of ₹ 477.94 million held with HDFC bank (Public Issue Account).

** Refer note 57 for fixed deposit and balance with banks placed out of unutilised amount from IPO proceeds.

NOTE 16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at 31st March, 2024	As at 31st March, 2023
Margin money deposits	28.00	-
In Fixed deposits with maturity for more than 3 months but less than 12 months from balance sheet date*	7,427.38	814.82
Total	7,455.38	814.82

*Note

- Includes ₹ 1,019.18 million (31st March, 2023: 814.82 million) fixed deposits pledged against bank/corporate guarantees given to subsidiaries.
- Refer note 57 for fixed deposit placed out of unutilised amount from IPO proceeds.
- Refer note 26 borrowings

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 17 LOANS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Loans to others	0.69	5.92
Total	0.69	5.92

NOTE 18 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on loans to others	0.27	0.14
Interest accrued on fixed deposits (FD)	44.89	13.92
Other receivables	213.12	89.68
Total	258.28	103.74

NOTE 19 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance to suppliers	71.88	54.03
Balance with government authorities	321.27	296.44
Advance to staff	13.29	10.06
Claim and other receivables	92.75	33.89
Provision for purchase return	2.69	16.94
Prepaid expenses	51.47	77.12
Total	553.35	488.48

NOTE 20 EQUITY SHARE CAPITAL

a. Authorised Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
74,570,000 (31st March, 2023: 4,570,000) Equity Shares of ₹ 10 each	745.70	45.70
Total	745.70	45.70

b. Issued, Subscribed and Paid-up:

Particulars	As at 31st March, 2024	As at 31st March, 2023
43,493,767 (31st March, 2023: 4,111,527) Equity Shares of ₹ 10 each	434.94	41.12
Total	434.94	41.12

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

c. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	4,111,527	41.12	3,850,200	38.50
Add: Alloted during the year pursuant to rights issue	-	-	261,327	2.62
Add: Alloted during the year pursuant to Fresh Issue	7,950,569	79.50	-	-
Add: Alloted during the year pursuant to conversion of CCPS into Equity	31,431,671	314.32	-	-
Outstanding at the end of the year	43,493,767	434.94	4,111,527	41.12

d. Rights, preferences and restrictions attached to shares

The Holding Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. 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.

e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Mr. Prabhat Agrawal	4,028,395	9.26%	2,733,756	66.49%
Mr. Prem Sethi	2,239,842	5.15%	1,377,557	33.50%
Orbimed Asia III Mauritius Limited	16,538,929	38.03%	107.00	0.00%
Prasid Uno Family Trust	6,950,320	15.98%	-	0.00%
Clsa Global Markets Pte. Ltd-Odi	2,368,670	5.45%	-	0.00%
Government Of Singapore	2,186,551	5.03%	-	0.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares, except in case of Prasid Uno Family Trust which has declared the beneficial ownership in BEN-1.

f. Shareholding of Promoters at the end of the year

Name of the Promoter	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares	% of Total Shares	% Change During the year	No. of Shares	% of Total Shares	% Change During the year
Mr. Prabhat Agrawal*	4,028,395	9.26%	47.36%	2,733,756	66.49%	6.79%
Mr. Prem Sethi*	2,239,842	5.15%	62.60%	1,377,557	33.50%	6.79%
Orbimed Asia III Mauritius Ltd**	16,538,929	38.03%	100.00%	107	0.00%	0.00%

*The percentage of promoter holding has decreased due to issue of shares through initial public offer and the conversion of compulsory convertible preference shares taken place during year.

**During the year classified as promoter.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

g. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the year of two years immediately preceding the current year end.

h. No class of shares have been bought back by the Company during the year or two years immediately preceding the current year end.

i. Rights Issue allotment

For the year ended 31st March, 2024, the Company has not issued and allotted equity shares on Rights Issue basis.

For the year ended 31st March, 2023, the Company has issued and allotted 2,61,327 equity shares on Rights Issue basis.

j. Fresh Issue of equity share through initial public offer

During the year ended 31st March, 2024, the Company has completed its Initial Public Offer ("IPO") of 1,27,20,044 equity shares of face value of ₹ 10/- each comprising of (i) fresh issue of 79,50,569 equity shares at an issue price of ₹ 1,258 per equity share (which includes allotment of 15268 equity shares under employees reservation at discount of ₹ 119 per equity shares); (ii) an offer for sale of 47,69,475 equity shares at an issue price of ₹ 1,258 per equity share.

k. Conversion of CCPS into Equity Shares

During the year ended 31st March, 2024, The Company has allotted 31,431,671 equity shares of face value ₹ 10 each upon conversion of CCPS into equity share in the following ratio:

Series of CCPS	Number of existing CCPS held	Number of equity shares allotted due to Conversion	Conversion Ratio
Series A1	463,456,702	10,954,617	0.024:1
Series A1	8,543,198	8,543,198	1:1
Series A2	158,253,439	3,740,532	0.024:1
Series A2	2,917,188	2,917,188	1:1
Series A3	3,096,833	2,894,741	0.93:1
Series A4	26,851,617	650,771	0.024:1
Series A4	494,973	494,973	1:1
Series A5	50,984,559	1,235,651	0.024:1
Total	714,598,509	31,431,671	

NOTE 21 INSTRUMENTS ENTIRELY EQUITY IN NATURE

Preference share capital

a. Authorised Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
0.0001% Compulsory Convertible Preference shares (CCPS)		
Series A1 CCPS (Mar 24 : 56,58,47,000 ; Mar 23 : 56,58,47,000) of ₹ 10 each	5,658.47	5,658.47
Series A2 CCPS (Mar 24 : 19,35,64,100 ; Mar 23 : 19,35,64,100) of ₹ 10 each	1,935.64	1,935.64
Series A3 CCPS (Mar 24 : 39,96,900 ; Mar 23 : 39,96,900) of ₹ 10 each	39.97	39.97
Series A4 CCPS (Mar 24 : 3,63,72,000 ; Mar 23 : 3,63,72,000) of ₹ 10 each	363.72	363.72
Series A5 CCPS (Mar 24 : 10,00,00,000 ; Mar 23: Nil) of ₹ 10 each	1,000.00	-
Total	8,997.80	7,997.80

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

b. Issued, Subscribed and Paid-up:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Series A1 CCPS (Mar 24 : Nil ; Mar 23 : 47,19,99,900) of ₹ 10 each	-	4,720.00
Series A2 CCPS (Mar 24 : Nil ; Mar 23 : 16,11,70,627) of ₹ 10 each	-	1,611.70
Series A3 CCPS (Mar 24 : Nil ; Mar 23 : 30,96,833) of ₹ 10 each	-	30.97
Series A4 CCPS (Mar 24 : Nil ; Mar 23 : 2,42,36,590) of ₹ 10 each	-	273.47
Series A5 CCPS (Mar 24 : Nil ; Mar 23 : Nil) of ₹ 10 each	-	-
Total	-	6,636.14

c. Reconciliation of preference shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	66,36,13,950	6,636.14	61,89,89,976	6,189.90
Add: Alloted during the year pursuant to rights issue	5,09,84,559	509.85	4,46,23,974	446.24
Less: Alloted during the year pursuant to conversion of CCPS into Equity	(71,45,98,509)	(7,145.99)	-	-
Outstanding at the end of the year	-	-	66,36,13,950	6,636.14

d. Rights, preferences and restrictions attached to shares

0.0001% Compulsory Convertible Preference shares (CCPS)

Terms of Conversion :

- The holders of the CCPS may convert the CCPS in whole or part into 1 (one) Equity Share at any time before the expiry of 19 (nineteen) years from the date of issue of the same subject to the adjustments as mentioned in Articles of Association, and the provisions of the Shareholders' Agreement. In the event the conversion of CCPS entitles the holder of CCPS to any fraction of an Equity Share, then such fraction shall be rounded up to the nearest whole number.
- The holders of CCPS shall, at any time prior to 19 (nineteen) years from the date of issue of the same, be entitled to call upon the Company to convert all or any of the CCPS. The CCPS, or any of them, if not converted earlier, shall automatically convert into Equity Shares at the then applicable conversion rate.

Senior Rights: The holders of A1 CCPS, A2 CCPS and A3 CCPS shall rank senior to Series A4 CCPS and all other preference shares and other instruments that are outstanding and which may be issued by the Company from time to time.

Meeting and voting rights: The holders of CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an as If Converted Basis, as may be permissible under Applicable Law. Accordingly, but subject to adjustments as set forth herein, the holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1 (one) Equity Share would have on each Equity Share held, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Series A1 CCPS are issued to Orbimed Asia III Mauritius Limited	-	-	47,19,99,900	100.00%
Series A2 CCPS are issued to Prasad Uno Family Trust	-	-	-	0.00%
Series A2 CCPS are issued to IM Investments Trust	-	-	16,11,70,627	100.00%
Series A3 CCPS are issued to Mr. Prabhat Agrawal	-	-	18,58,100	60.00%
Series A3 CCPS are issued to Mr. Prem Sethi	-	-	12,38,733	40.00%
Series A4 CCPS are issued to Novacare Drug Specialities Private Limited	-	-	61,39,837	22.45%
Series A4 CCPS are issued to K E Prakash	-	-	53,90,244	19.71%
Series A4 CCPS are issued to Mr. Petros Diamantides	-	-	21,89,571	8.01%
Series A4 CCPS are issued to Prashanth Ravindrakumar	-	-	19,18,699	7.02%
Series A4 CCPS are issued to Manoj K Sanghani	-	-	17,58,808	6.43%
Series A4 CCPS are issued to Vikram Aditya Ambre	-	-	17,58,808	6.43%
Series A4 CCPS are issued to Hemant Barros	-	-	11,97,832	4.38%
Series A4 CCPS are issued to Millennium Medicare Private Limited	-	-	12,79,133	4.68%
Series A5 CCPS are issued to Orbimed Asia III Mauritius Limited	-	-	-	0.00%
Series A5 CCPS are issued to Prasad Uno Family Trust	-	-	-	0.00%

f. Shareholding of Promoters at the end of the year

Name of the Promoter	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares	% of Total Shares	% Change During the year	No. of Shares	% of Total Shares	% Change During the year
Series A1 CCPS						
Orbimed Asia III Mauritius Limited*	-	-	(100.00%)	471,999,900	100.00%	6.79%
Series A3 CCPS						
Mr. Prabhat Agrawal	-	-	(100.00%)	1,858,100	60.00%	6.79%
Mr. Prem Sethi	-	-	(100.00%)	1,238,733	40.00%	6.79%
Series A4 CCPS						
Mr. Prabhat Agrawal	-	-	(100.00%)	400,000.00	1.46%	100.00%
Mr. Prem Sethi	-	-	(100.00%)	300,000.00	1.10%	100.00%
Series A5 CCPS						
Orbimed Asia III Mauritius Limited*	-	-		-	-	-
Mr. Prabhat Agrawal	-	-		-	-	-
Mr. Prem Sethi	-	-		-	-	-

*During the year classified as promoter.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

g. Conversion to equity shares

During the year ended 31st March, 2024, all outstanding compulsory convertible preference shares (series A1, A2, A3, A4 and A5) have converted to equity shares as per the formula specified in subscription agreement on occurrence of certain events specified in agreement.

h. Right Issue

For the year ended 31st March, 2024, the Company has issued and allotted 5,09,84,559 compulsory convertible preference shares (Series A5 CCPS) of face value ₹ 10 each to the eligible preference shareholders at an issue price of ₹ 10 per preference share aggregating to ₹ 509.85 million.

During the year ended 31st March, 2023, the Company has issued and allotted 4,46,23,974 preference shares (Series A1 CCPS: 3,00,00,000, Series A2 CCPS: 1,02,43,898, Series A3 CCPS: 1,96,833 Series A4 CCPS: 41,83,243) of face value ₹ 10/- each to the eligible preference shareholders at an issue price of ₹ 10 per preference share aggregating to ₹ 1017.28 million.

NOTE 22 OTHER EQUITY

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings reserve		
Opening balance	(726.99)	(617.99)
Add: Net Profit/(loss) for the year	391.09	(115.57)
Less: Re-measurement/loss on post employment benefit obligation (net of tax)	(2.17)	6.57
Closing balance	(338.07)	(726.99)
Employee Stock option reserve		
Opening balance	-	-
Add: Employee stock option expense during the year	17.67	-
Closing balance	17.67	-
Security Premium reserve		
Opening balance	-	-
Add: Premium on conversion of CCPS to equity shares	6,831.67	-
Add: Premium on issue of equity shares through Initial public offers	9,920.49	-
Less: Premium utilised to write off the shares issued expenses	(486.15)	-
Closing balance	16,266.01	-
Total	15,945.62	(726.99)

Nature and purpose of reserve

Securities premium:

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account:

The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to Employee Stock Option reserve Account.

Retained earnings:

Retained earnings represents the Company's undistributed earnings after taxes.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 23 NON CONTROLLING INTEREST

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	26.34	21.75
Add: Non Controlling interest in subsidiary acquired in current year	0.02	-
Add: Net profit for the year	6.90	4.53
Add: Re-measurement loss on post employment benefit obligation (net of tax)	0.02	0.06
Closing balance	33.28	26.34

NOTE 24 LEASE LIABILITY

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
At amortised cost (refer Note 40)				
Lease Liability	489.69	134.53	499.68	134.76
Total	489.69	134.53	499.68	134.76

NOTE 25 PROVISIONS

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Provision for employee benefits (Refer note 48)				
Provision for gratuity (unfunded)	71.11	14.27	54.03	8.60
Provision for leave encashment (unfunded)	-	15.09	-	12.56
Total	71.11	29.36	54.03	21.16

NOTE 26 BORROWINGS

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Non convertible debenture (Secured)	-	-	-	-
Term loan (Secured)	455.41	27.33	310.67	1,022.47
Working capital loan (Secured):				
Cash credit/ WCDL	-	2,257.85	-	2,338.91
Other Loans & Advances (Unsecured)				
Loans and advances from Others	-	14.93	-	63.10
Total	455.41	2,300.11	310.67	3,424.48

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

I) NON CONVERTIBLE DEBENTURES

- (a) During the year, the Company issued 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of ₹ 1,00,000/- (Indian Rupees One Lakhs Only) each ("NCDs") aggregating to ₹ 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) in the month of April 2023. These were secured by first ranking and exclusive charge by way of pledge over shares of the following subsidiaries, held by the Company:

1. Saurashtra Medisolutions Private Limited
2. S.S. Pharma Traders Private Limited
3. SVS Lifesciences Private Limited

A first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents;

The Non Convertible debentures bore a cash coupon rate of 12% pa (Implicit rate of return 14.09%) payable monthly commencing from 6th April, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment. These debentures are redeemed in the month of March 2024.

- (b) During the year, the Company issued 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of ₹ 1,00,000/- (Indian Rupees One Lakhs Only) each ("NCDs") aggregating to ₹ 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) in the month of June 2023. These were secured by first ranking and exclusive charge by way of pledge over shares of the following subsidiaries, held by the Company:

1. Swami Medisolutions private Limited
2. Atreja Healthcare Solutions private Limited
3. City Pharma Distributors private limited

A first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents;

The Non Convertible debentures bore a cash coupon rate of 8% pa (Implicit rate of return 16%) payable monthly commencing from 30th June, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment. These debentures are redeemed in the month of March 2024.

Term Loans:

- (a) The term loans included in the current borrowings of the Company were secured against the first charge on all current assets, movable fixed assets and Cash collateral ranging from 0.00% - 20.00% (31st March, 2023: 0.00% - 20.00%) in the form of a lien marked fixed deposit placed with banks. These loans carried interest from 11.00% to 11.50% (31st March, 2023: 12.00% - 14.00%) p.a. and are repayable within one year and hence classified as current as on the reporting date.

These loans were repaid before 31st March, 2024.

Outstanding balance at 31st March 2024 - 27.33 Million (31st March, 2023, 1022.47 Million)

- (b) The Term loans included in the non-current borrowings of the Company were secured against the first charge on all current assets, movable fixed assets and Cash collateral of 0.00% to 20.00% (31st March, 2023: 10.00% to 20.00%) p.a in the form of a lien marked fixed deposit placed in a bank. These loans carried interest from 11.00% to 11.50% (31st March, 2023: 12.00% to 13.50%) p.a. and are repayable beyond one year and hence classified as non-current as on the reporting date.

These loans were repaid before 31st March, 2024 .

Outstanding balance at 31st March, 2024 - 455.41 Million (31st March, 2023, 310.67 Million)

Cash credit/ WCDL

Cash credit facility and working capital facility are obtained from banks and financial institutions and are secured by an exclusive charge on the entire current assets of the Group, present and future. Margin money deposits upto maximum 20% of the facility amounts have been placed with the banks under lien. Total outstanding at 31st March, 2024- 2,257.85 Million (31st March, 2023, 2,338.91 Million).

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 27 TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total outstanding dues of micro enterprises and small enterprises	184.63	44.01
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,114.51	2,060.99
Total	2,299.14	2,105.00

**Includes payable to related parties, refer note 49*

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year : Principal	184.63	44.01
Total	184.63	44.01
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: The above information has been provided as available with the Group to the extent such parties could be identified on the basis of the information available with the Group regarding the status of the suppliers under the MSMED Act.

As at 31st March, 2024

Particulars	Outstanding for Following years from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	184.63	-	-	-	184.63
Disputed Dues - MSME	-	-	-	-	-
Other	2,016.56	90.39	6.56	1.01	2,114.51
Disputed Dues - Others	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

As at 31st March, 2023

Particulars	Outstanding for Following years from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	44.01	-	-	-	44.01
Disputed Dues - MSME	-	-	-	-	-
Other	2,052.27	7.46	0.36	0.90	2,060.99
Disputed Dues - Others	-	-	-	-	-

NOTE 28 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee liabilities	108.83	104.23
Current maturities of long term debt	-	8.00
Purchase consideration payable	387.42	99.50
Due to shareholder*	15.86	-
Other payables	542.92	82.27
Interest accrued and due on borrowings	2.23	6.32
Other financial liabilities	-	91.43
Total	1,057.25	391.75

*The amount pertains to shares sold under "Offer for sale" by the shareholder.

NOTE 29 OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues payable	153.92	97.94
Provision for sales return	4.73	25.31
Advance from customers	-	18.32
Other current liabilities	-	3.02
Total	158.64	144.59

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 30 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of traded goods	38,881.63	32,931.43
Other operative revenue	341.47	70.64
Total	39,223.10	33,002.07
Analysis of revenues by segments:		
Trading of pharmaceutical and surgical products.	39,223.10	33,002.07
Revenue based on Geography		
Domestic	39,223.10	33,002.07
Total	39,223.10	33,002.07
Revenue based on timing of recognition		
Revenue recognition at a point in time	39,223.10	33,002.07
Total	39,223.10	33,002.07

NOTE 31 OTHER INCOME

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Interest income		
- On fixed deposits designated as amortized cost	125.48	33.99
- On intercorporate deposit	0.09	0.09
- Other interest income	0.24	-
- Interest on income tax refund	2.33	2.11
(b) Other Gain		
- Profit on sale of fixed assets	0.36	-
- Net gain or loss on foreign currency transaction and translation	0.34	0.15
(c) Other non-operating income		
- Interest on unwinding of security deposits	5.18	4.71
- Miscellaneous income	10.11	14.09
Total	144.13	55.14

NOTE 32 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Purchases of Stock-in-trade	36,278.08	30,512.60
Total	36,278.08	30,512.60

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 33 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Inventories at the beginning of the year		
- Stock in trade	3,416.28	3,101.64
	3,416.28	3,101.64
Inventories as at the date of acquisition of subsidiary / business :	220.71	120.69
Less: Inventories at the end of the year		
- Stock in trade	4,211.55	3,416.28
	(574.55)	(193.95)

NOTE 34 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages, bonus and other allowances	1355.42	1160.00
Contribution to Provident Fund and other funds	70.96	63.85
Gratuity expenses (refer note 48)	23.99	21.13
Leave Obligation (refer note 48)	4.97	3.80
Staff welfare expenses	38.45	32.62
Employee stock option expenses	17.67	-
Total	1,511.46	1,281.40

NOTE 35 FINANCE COSTS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Expenses		
- On loan from bank and financial institution	424.15	376.98
- On loan from Others	0.89	1.20
- On non convertible debenture	120.20	-
- On delay in payment of taxes	1.51	0.45
- On lease liabilities	58.07	65.37
Processing charges	30.01	22.88
Bank charges	22.01	22.84
Total	656.84	489.72

NOTE 36 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on property, plant and equipment (refer note 5)	81.76	89.52
Depreciation on ROU (refer note 5)	164.24	146.31
Amortization on Intangibles Assets (refer note 7)	4.17	6.54
Total depreciation and amortization expense	250.17	242.37

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 37 OTHER EXPENSES

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	6.74	16.65
Rates and taxes	11.22	2.08
Legal and professional charges	82.37	70.81
Travelling expenses	80.50	62.89
Power and fuel	55.95	42.51
Repairs and maintenance	40.05	29.09
Distribution Cost	287.40	206.97
Outsource Servicing Expenses	12.89	12.59
Printing and stationery	36.18	30.83
Commission & Brokerage Expenses	30.55	23.90
Communication expenses	8.76	15.27
Business promotion expenses	44.88	65.88
Provision for impairment loss	75.17	53.79
IT Expenses	13.47	11.10
Subscription Expenses	3.79	4.14
Office Expenses	14.55	11.92
Auditor's remuneration (refer note below)	11.31	9.93
Security expenses	1.63	0.81
Housekeeping Expenses	6.13	4.18
Sign on Amount	18.00	18.00
Office Aircon Charges	0.86	0.96
Corporate social responsibility expenses	3.43	2.27
Insurance	12.67	12.12
Miscellaneous expenses	31.18	53.26
Total	889.68	761.95

*Note : The following is the break-up of Auditors remuneration including auditors of subsidiaries (exclusive of taxes).

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
As auditor:		
Statutory audit	11.31	8.26
In other capacity:		
Tax audit	-	0.97
Other matters*	-	0.70
Total	11.31	9.93

*fees related to IPO expenses amounting to ₹ 20.89 million is set off against security premium.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 38 INCOME TAX

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax		
Current tax on profits for the year	133.78	99.65
Adjustments for current tax of prior year	-	-
Total Current Tax	133.78	99.65
Deferred tax		
Deferred tax income	(176.22)	(25.49)
Total tax expense	(42.44)	74.16
Reconciliation of effective tax rate:		
Profit/(Loss) before income tax expense	355.55	(36.88)
Enacted income tax rate in India applicable to the Company 26.00%	92.44	(9.59)
Tax effect of:		
Permanent disallowances	1.57	-
Unrecognised deferred tax asset due to uncertainty of future taxable profits	-	113.23
Recognition of deferred tax assets on earlier year losses and depreciation on account of reasonable certainty	118.36	-
Others	(254.81)	(29.48)
Total tax expenses as per statement of Profit and Loss Account*	(42.44)	74.16

*Note: For major components of DTA/DTL, please refer note number 9

NOTE 39 EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit / (loss) attributable to the equity holders of the Company (A)(₹)	391.09	(115.57)
Weighted Average number of shares issued for Basic EPS (B)	3,61,70,690	65,07,30,172
Adjustment for calculation of Diluted EPS (C)	-	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	3,61,70,690	65,07,30,172
Basic EPS in ₹	10.81	(0.18)
Diluted EPS in ₹	10.81	(0.18)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 40 DISCLOSURE RELATED TO LEASES

Group as Lessee

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease hold Property	520.41	536.85

(A) Carrying value of right of use assets at the end of the reporting year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	536.85	616.60
Additions	166.80	102.21
Deletion	(19.00)	(35.66)
Depreciation charge for the year	(164.24)	(146.31)
Balance at the end of the year	520.41	536.85

(B) Carrying value of lease liability at the end of the reporting year

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	634.44	696.03
Additions	165.39	96.28
Deletion	(17.44)	(41.49)
Interest on lease liability	58.07	65.37
Gain on modification	-	4.42
Payment made during the year	(216.25)	(186.17)
Balance at the end of the year	624.21	634.44

(C) Maturity analysis of lease liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Less than one year	224.64	186.09
One to five years	644.79	553.23
More than five years	127.26	55.29
Total undiscounted lease liabilities at reporting year	996.69	794.61
Lease liabilities included in the statement of financial position at the end of reporting year	624.21	634.44

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

(D) Amounts recognised in statement of profit or loss

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest on lease liabilities	58.07	65.37
Expenses relating to short-term leases	6.74	16.65
Amotisation of right to use assets	164.24	146.31
	229.06	228.33

(E) Amounts recognised in the statement of cash flows

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Cash outflow for leases	(216.25)	(181.74)

NOTE 41 IMPAIRMENT TESTING OF GOODWILL

Goodwill is tested for impairment annually and also as and when impairment indicators emerge. For the purpose of Goodwill impairment, each subsidiary is considered as separate Cash Generating Unit (CGU).

The recoverable amount of a CGU is based on higher of fair value less costs of disposal and value in use. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at measurement date. Value in use is present value of future cash flows expected to be derived from an asset (CGU). The value in use is estimated using discounted cash flows over a period of 5 years and cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate. This fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Discount rate	13.29% - 18.44%	9.9% - 23.20%
Terminal value growth rate	5%	7%
Revenue growth rate	10%-20%	20%

With regard to assessment of the recoverable amount, no reasonably possible change in any of the above key assumptions would cost the carrying amounts of the CGUs to exceed their recoverable amount.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Group has concluded that, given the significant headroom that exists, and the results of the sensitivity analysis performed, there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of CGUs to exceed its values in use.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 42 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value. If the carrying amount is a reasonable approximation of fair value.

Financial assets and liabilities as at 31st March, 2024

Particulars	Carrying Amount			
	FVTPL	FVTOCI	Amortized Cost	Total
Non-current financial assets				
Other Financial Assets	-	-	157.20	157.20
Current financial assets				
Trade receivables	-	-	6,154.04	6,154.04
Cash and cash equivalents	-	-	1,476.46	1,476.46
Bank balances other than cash and cash equivalent	-	-	7,455.38	7,455.38
Loans	-	-	0.69	0.69
Other financial assets	-	-	258.28	258.28
Total	-	-	15,502.05	15,502.05
Non-current financial liabilities				
Borrowings	-	-	455.41	455.41
Lease Liabilities	-	-	489.69	489.69
Current financial liabilities				
Lease Liabilities	-	-	134.53	134.53
Trade payables	-	-	2,299.14	2,299.14
Borrowings	-	-	2,300.11	2,300.11
Other financial liabilities	-	-	1,057.25	1,057.25
Total	-	-	6,736.13	6,736.13

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Financial assets and liabilities as at 31st March, 2023

Particulars	Carrying Amount			
	FVTPL	FVTOCI	Amortized Cost	Total
Non-current financial assets				
Other Financial Assets	-	-	79.47	79.47
Current financial assets				
Trade receivables	-	-	5,148.84	5,148.84
Cash and cash equivalents	-	-	253.62	253.62
Bank balances other than cash and cash equivalent	-	-	814.82	814.82
Loans	-	-	5.92	5.92
Other financial assets	-	-	103.74	103.74
Total	-	-	6,406.41	6,406.41
Non-current financial liabilities				
Borrowings	-	-	310.67	310.67
Lease Liabilities	-	-	499.68	499.68
Current financial liabilities				
Lease Liabilities	-	-	134.76	134.76
Trade payables	-	-	2,105.00	2,105.00
Borrowings	-	-	3,424.48	3,424.48
Other financial liabilities	-	-	391.75	391.75
Total	-	-	6,866.34	6,866.34

- B.** The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded on the stock exchanges are determined using the closing price of the respective instrument as at the reporting date.

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

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 43 BUSINESS COMBINATION

During the year ended 31st March, 2024, the group has acquired following businesses:

I Dhanvanthri Super Specialty Private Limited

Acquisition of Dhanvanthri Speciality Pharma Private Limited ("DSPL")

- a On 11th December, 2023, the Company completed the acquisition of Dhanvanthri Speciality Pharma Private Limited ("DSPL") under slump sale transaction. The deal envisaged the acquisition of the business for a total cash consideration of ₹ 473.41 million. The transaction is accounted for as per acquisition method of business combination under Ind AS 103 - "Business Combination".

The acquisition is in line with the Company's strategy to consolidate its position in Bangalore market.

b Purchase consideration transferred:

Particulars	Amount
Lump sum consideration (including contingent consideration)	473.41

c Assets acquired and liabilities assumed:

Particulars	Amount
Property, Plant and Equipment	0.77
Inventories	99.42
Trade Receivables	216.88
Other Current Assets	-
Other Current Liabilities	(32.33)
Trade payable	(57.22)
Cash and cash equivalent	-
Total identifiable net assets	227.53

d Amount recognized as Goodwill:

Particulars	Amount
Fair value of consideration transferred	473.41
Less: Fair value of the net assets acquired	227.53
Goodwill	245.88

e Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 216.88 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

II Entero R.S Enterprises Private Limited

Acquisition of R.S Enterprises (Bangalore) Private Limited

- a** On 28th June, 2023, the Company completed the acquisition of R.S Enterprises (Bangalore) Private Limited under a slump sale transaction. The deal envisaged the acquisition of the business for a total cash consideration of ₹ 232.64 million. The transaction is accounted for as per acquisition method of business combination under Ind AS 103 - "Business Combination". The acquisition is in line with the Company's strategy to consolidate its position in Bangalore market.

b Purchase consideration transferred:

Particulars	Amount
Lump sum consideration (including contingent consideration)	232.64

c Assets acquired and liabilities assumed:

Particulars	Amount
Property, Plant and Equipment	4.85
Inventories	121.29
Trade Receivables	131.99
Trade and other Payable	(55.49)
Total identifiable net assets	202.64

d Amount recognized as Goodwill:

Particulars	Amount
Fair value of consideration transferred	232.64
Less: Fair value of the net assets acquired	202.64
Goodwill	30.00

e Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 131.99 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

As on 16th September, 2023, the Company purchased 100% share capital of Entero R.S. Enterprises Private Limited under shares purchase agreement (SPA). Consequently, Entero R.S Enterprises Private Limited has become a 100% subsidiary of the Company w.e.f 16th September, 2023.

During the year ended 31st March, 2023, the group has acquired following businesses:

III Saurashtra Medisolutions Private Limited

Acquisition of Saurashtra Agency

- a** On 1st May, 2022, the Company completed the acquisition of Saurashtra Agency a partnership firm under slump sale transaction. The deal envisaged the acquisition of the business for a total cash consideration of ₹ 87.41 million including deferred consideration of ₹ 28.35 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 90 days of closing date. The transaction is accounted for as per acquisition method of business combination under Ind AS 103 - "Business Combination".

The acquisition is in line with the Company's strategy to enter the Gujarat market.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

b Purchase consideration transferred:

Particulars	Amount
Lump sum consideration (including contingent consideration)	87.41

c Assets acquired and liabilities assumed:

Particulars	Amount
Property, Plant and Equipment	7.25
Inventories	34.24
Trade Receivables	18.74
Other Current Assets	2.21
Other Current Liabilities	(10.87)
Trade Payable	(15.53)
Total identifiable net assets	36.04

d Amount recognized as Goodwill:

Particulars	Amount
Fair value of consideration transferred	87.41
Less: Fair value of the net assets acquired	36.04
Goodwill	51.37

e Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 18.74 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

IV SVS Lifesciences Private Limited

Acquisition of S.V.S Pharmaceutical Distributors

- a On 24th June, 2022, the Company completed the acquisition of S.V.S Pharmaceutical Distributors a partnership firm under slump sale transaction. The deal envisaged the acquisition of the business for a total cash consideration of ₹ 79 million including deferred consideration of ₹ 17.50 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 90 days of closing date. The transaction is accounted for as per acquisition method of business combination under Ind AS 103 – “Business Combination”.

The acquisition is in line with the Company’s strategy to enter the Chhatisgarh market.”

b Purchase consideration transferred:

Particulars	Amount
Lump sum consideration	79.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

c Assets acquired and liabilities assumed:

Particulars	Amount
Property, Plant and Equipment	0.63
Inventories	28.68
Trade Receivables	30.79
Other Current Liabilities	(8.88)
Trade Payable	(6.10)
Total identifiable net assets	45.12

d Amount recognized as Goodwill:

Particulars	Amount
Fair value of consideration transferred	79.00
Less: Fair value of the net assets acquired	45.12
Goodwill	33.88

e Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 30.79 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

V S.S. Pharma Traders Private Limited

Acquisition of S.S. Traders

On 18th August, 2022, the Company completed the acquisition of the S.S. Traders a sole proprietorship firm under slump sale transaction. The deal envisaged the acquisition of the business for a total cash consideration of ₹ 79.33 million including deferred consideration of ₹ 33.60 million payable on transfer of atleast 90% of new supplier code by acquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted for as per acquisition method of business combination under Ind AS 103 - "Business Combination".

The acquisition is in line with the Company's strategy to strengthen the Uttar Pradesh market.

b Purchase consideration transferred:

Particulars	Amount
Lump sum consideration (including contingent consideration)	79.33

c Assets acquired and liabilities assumed:

Particulars	Amount
Property, Plant and Equipment	1.36
Inventories	57.77
Trade Receivables	69.92
Other Current Liabilities	(29.13)
Trade Payable	(109.72)
Total identifiable net assets	(9.80)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

d Amount recognized as Goodwill:

Particulars	Amount
Fair value of consideration transferred	79.33
Less: Fair value of the net assets acquired	(9.80)
Goodwill	89.13

e Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 69.92 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

NOTE 44 CONTINGENT LIABILITIES & COMMITMENTS

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Estimated Amount of contracts remaining to be executed on capital account		
Bank guarantees	0.12	0.12
Claims not acknowledged as debts:		
a) Income Tax	1.81	2.07
b) Indirect Tax	1.56	0.77

(ii) The group will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated 28th February, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these financial statements.

There are no capital commitments as at 31st March, 2024 and 31st March, 2023.

NOTE 45 SEGMENT REPORTING

An operating segment is a component of group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the group's other components and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The Chief Executive Office and Chief Operating Officer of the group acts as the (CODM). The Company operates only in one business segment i.e. trading of pharmaceutical and surgical products and hence, the Company has only one separate reportable segments as per Ind AS 108 "Operating Segments".

NOTE 46 CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital, compulsorily convertible preference shares (Converted to Equity share on 27th January, 2024) and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to safeguard the group's ability to remain as a going concern and maximise the shareholder value. The group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

to shareholders or issue new shares. The current capital structure of the group is equity based with no financing through borrowings. The group is not subject to any externally imposed capital requirement. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2024 and 31st March, 2023. The net debt to equity ratio for the current year decreased as a result of repayment of borrowings and fund raise through initial public offer. The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less Cash and cash equivalents and Bank Balances other than Cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group adjusted net debt to equity ratio is as follows.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Borrowings		
Long term and Short term borrowings	2,755.52	3,735.15
Less: cash and cash equivalents	(1,476.46)	(253.62)
Less: Bank balances other than cash and cash equivalents	(7,455.38)	(814.82)
Adjusted net debt	(6,176.32)	2,666.71
Total Equity	16,413.84	5,976.61
Adjusted net debt to equity ratio*	-	0.45

*Not computed for current year in the view of negative numerator.

NOTE 47 FINANCIAL RISK MANAGEMENT

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of The Group. Together they help in achieving the business goals and objectives consistent with The group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

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

- Credit risk
- Liquidity risk and
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

The Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
- Considered good	6,154.04	5,148.84
- Considered doubtful	208.85	132.51
Gross Trade Receivables		
Less: Impairment Loss	(208.85)	(132.51)
Net Trade Receivables	6,154.04	5,148.84

ii) Loans and financial assets measured at amortized cost

Loans and advances given comprises inter company loans hence the risk of default from these companies is remote. The Group monitors each loans given and makes any specific provision if required.

iii) Cash and cash equivalents and other bank balance

The Group held cash and cash equivalent and other bank balance of ₹ 8,986.22 million as at 31st March, 2024 (31st March, 2023 : ₹ 1,082.44 million). The same are held with banks. Also, Group invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the group to credit risk.

iv) Others

Apart from trade receivables, loans and cash and bank balances, the group has no other financial assets which carry any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturities of financial liabilities 31st March, 2024	1 year or less	1-5 years	More than 5 years	Total
Lease liabilities	224.64	644.79	127.26	996.69
Borrowings	2,300.11	455.41	-	2,755.52
Trade payables	2,299.14	-	-	2,299.14
Other financial liabilities	1,057.25	-	-	1,057.25
Total	5,881.16	1,100.19	127.26	7,108.61

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Contractual maturities of financial liabilities 31st March, 2023	1 year or less	1-5 years	More than 5 years	Total
Lease liabilities	186.09	553.23	55.29	794.61
Borrowings	3,424.48	310.67		3,735.15
Trade payables	2,105.00	-	-	2,105.00
Other financial liabilities	391.75	-	-	391.75
Total	6,107.32	863.90	55.29	7,026.50

The outflows disclosed in above table represents the total contracted undiscounted cash flows and total interest payable on borrowings.

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. the Group caters mainly to the Indian Market . Most of the transactions are denominated in the Group's functional currency i.e. Rupees. Hence the Group is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Variable rate borrowings	2,740.59	3,322.04
Fixed rate borrowings	14.93	413.10

Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest rates – decrease by 100 basis points	20.28	24.58
Interest rates – increase by 100 basis points	(20.28)	(24.58)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 48 EMPLOYEE BENEFITS

I. Defined contribution plans

The Group has classified the various benefits provided to employees as under:

- Provident Fund
- Employee state insurance fund
- Labour welfare fund

The expense recognised during the year towards defined contribution plan -

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Contribution to provident fund	58.39	49.01
Employers Contribution to employee state insurance	12.22	14.64
Employers Contribution to labour welfare fund	0.35	0.23
Total	70.96	63.88

II. Defined benefit plans

Gratuity

The Group has an unfunded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

I Movements in present value of defined benefit obligation

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Present value of defined benefit obligation at the beginning of the year	62.63	51.33
Current service cost	19.09	16.47
Interest cost	4.90	3.72
Actuarial loss/(gains)	2.58	(8.11)
Benefits paid	(3.81)	(0.78)
Present value of defined benefit obligation at the end of the year	85.39	62.63

II Net defined benefit liability/ (asset) recognised as at balance sheet date:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Present value of defined benefit obligation	85.39	62.63
Fair value of plan assets	-	-
Net defined benefit liability/ (asset)	85.39	62.63

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

III Expenses recognised in statement of profit and loss during the year:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current service cost	19.09	16.47
Net interest cost / (income) on the net defined benefit liability / (asset)	4.90	3.72
Total expenses	23.99	20.19

IV Included in other comprehensive income

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Amount recognized in OCI, Beginning of year		
Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	(0.08)	(0.37)
Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	(0.64)	(2.27)
Actuarial (gains)/ losses due to experience on defined benefit obligations	(1.86)	(5.47)
Total Remeasurements recognized in OCI	(2.58)	(8.11)

V Maturity profile of defined benefit obligation

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Expected cash flows for future years (valued on undiscounted basis):		
1st Following Year	14.73	8.86
2nd Following Year	12.04	7.35
3rd Following Year	12.10	8.40
4th Following Year	11.88	8.51
5th Following Year	11.27	8.50
Sum of Years 6 To 10	36.49	28.03
Sum of Years 11 and above	25.32	25.38

VI Actuarial assumptions:

Particulars	As at 31st March, 2024	As at 31st March, 2023
1 Discount rate	7.13%	6.32-7.28%
2 Expected Rate of increase in compensation levels	6-10%	6-10%
3 Withdrawal Rate	20.00%	5-33%
4 Mortality Rate During Employment	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
5 Retirement age	58 years	58 years

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

VII Quantitative sensitivity analysis for significant assumptions is as below:

1 Increase / (decrease) on present value of defined benefit obligation at the end of the year

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) +1% increase in discount rate	(3.69)	(3.06)
(ii) -1% decrease in discount rate	3.85	3.36
(iii) +1% increase in rate of compensation levels	4.03	3.40
(iv) -1% decrease in rate of compensation levels	(3.91)	(3.10)

2 Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Leave Encashment

The amount recognized as an expense in respect of compensated absences is ₹ 4.97 million (31st March, 2023: ₹ 3.8 million).

NOTE 49 INFORMATION OF RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS 24 - RELATED PARTY DISCLOSURES

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Promoter & Promoter Group	Prabhat Agrawal-Promoter
	Prem Sethi-Promoter
	Orbimed Asia Iii Mauritius Limited-Promoter
	Payal Agrawal-Promoter Group
	Kunjbehari Lal Agrawal-Promoter Group
	Asha Agrawal-Promoter Group
	Neha Agrawal-Promoter Group
	Kanchi Agrawal-Promoter Group
	Jaibhagwan Mittal -Promoter Group
	Arti Mittal -Promoter Group
	Kunal Mittal -Promoter Group
	Richa Agarwal -Promoter Group
	Komal Gupta -Promoter Group
	Vikas Sethi -Promoter Group
	Lubna Sethi -Promoter Group
	Shweta Adlakhsha -Promoter Group
	Technomax Infosolutions (Partnership Concern)
	Uquifa Sciences Mascarene Ltd, Mauritius
	Uquifa Sciences Uk Ltd
	Uquifa Sciences Slu, Spain
	Union Quimico Farmaceutica Sau, Spain
	Uquifa Mexico Sa, Mexico

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Group Company

Description of relationship	Name of the related party
Entities under significant influence of Individual	Novacare Drug Specialities Private Limited
	Medmate Pharma Private Limited
	Prabhat Agrawal (Managing Director & CEO)
	Prem Sethi (Whole Time Director & COO)
	Sunny Sharma (Director) resigned w.e.f. 24.08.2023
Key Management Personnel and their relative:	Jayant Prakash (CS)
	CV Ram (Chief Financial Officer) (w.e.f. 31.01.2023)
	Arun Sadhanandham (Nominee Director)
	Vipul Desai (Nominee Director)
	Sandhya Sharma (Independent Director) w.e.f 25.08.2023
	Sujesh Vasudevan (Independent Director) w.e.f 25.08.2023
	Rajesh Dalal (Independent Director) w.e.f 25.08.2023

Description of relationship	Name of the related party
Companies/Firms/Body Corporates in which Directors are Director/ Partner	A) Sandhya Sharma
	ICICI Home Finance Company Limited
	Magma Hdi General Insurance Company Limited
	B) Arun Sadhanandham
	H S Pathology Private Limited
	Lifewell Diagnostics Private Limited
	Suraksha Diagnostic Private Limited
	C) Rajesh Shashikant Dalal
	Biogenomics Limited
	Ascent Meditech Limited
	D) Sumona Chakraborty
	Laxmi Dental Export Private Limited
	Lifecell International Private Limited
	E) Vipul Desai
	Call The Doc Healthcare Solutions Private Limited
	F) Sujesh Vasudevan
	Eris Lifesciences Limited
	G) Dileep Kumar Nair
	M/S Getwell Pharmaceuticals
	M/S Getwell Medicare
	M/S Getwell Drug House
	M/S P.K. Prime Productions
	H) Omprakash Bhandari
	Sri Parshva Ventures Llp

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Description of relationship	Name of the related party
Companies/Firms/Body Corporates in which Directors are Director/ Partner	I) Rohan Bhandari
	Evaevo Lifescience Private Limited
	Neelabs Healthcare Private Limited
	J) Deepak Sivakumar
	Avis Healthcare Private Limited
	K) Shitiz Sukhija
	Millennium City Developers Private Limited
	Millennium Medicare Private Limited
	Mediste Pharmaceutical Private Limited
	L) Varun Reddy Dasari
	Sterling Heights LLP
	Sri Rama Holdings
	Mv Corporation
	S R Holdings
	Dedeepya Pharma Private Limited
	Sri Rama Avenues Private Limited
	Vm Infini Private Limited
	M) Manoj Jain
	White Hope Pharmaceutical Private Limited
	Lunabeotic Pharmaceuticals Private Limited
	N) Kailash Jain
	Lunabeotic Pharmaceuticals Private Limited
	O) Sivakumar Narasimhan
	Avis Healthcare Private Limited
	P) Ramakrishnan Kannan
	Novacare Packaging Private Limited
	Novacare Drug Specialities Private Limited
	Medworld Pharmaceuticals Private Limited
	Novacare Medical Supplies Private Limited
	Novateus Medical Technologies Private Limited
	Q) Ravindran Ramakrishna Panikar
	Novacare Medical Supplies Private Limited
	R) Mahidhar Reddy Dasari
	Sri Rama Holdings
	Dedeepya Pharma Private Limited
	Sri Rama Avenues Private Limited
	S) Kulambi Eswarappa Prakash
	Chethana Pharma
	T) Kulambi Eswarappa Prakash
	Chethana Medicals

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

B. Details of related party transactions:

Nature of Transaction	Name of the related party	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of traded goods	Kumar Medical	7.83	7.97
	Medmate Pharma Private Limited	6.56	2.27
	Eris Lifesciences Ltd	-	-
	Lifecell International Pvt Ltd	0.13	-
	Dedeepya Pharma	4.27	9.12
	Sri Rama Pharmaceutical Distributors	-	9.53
	Dedeepya Pharma Pvt Ltd	943.74	81.41
	Medmerus Life Sciences	0.01	0.01
	Svs Distributors Bilaspur	23.90	23.66
	White Hope Pharmaceuticals Pvt Ltd	0.00	0.75
	Dhanvantri Speciality Private Ltd	13.99	-
	R.S.Enterprises Pvt Ltd.	3.15	-
	Eris Lifesciences Ltd	174.16	-
	Evaevo Lifescience Pvt Ltd	2.87	0.47
Purchase of Goods	Valentino F. Pinto..	2.53	6.37
	Sri Rama Associates	3.75	6.21
	Medmate Pharma Private Limited	11.86	10.66
	Skinzymes Innovation Private Ltd	0.30	-
	Mediste Pharmaceuticals Pvt. Ltd.	6.06	6.14
	Dedeepya Pharma (Proprietor)	8.06	9.81
	Sri Rama Pharmaceutical Distributors	46.71	262.37
	Dedeepya Pharma Pvt Ltd	4.92	-
	Medmerus Life Sciences	8.48	7.43
	Svs Distributors Bilaspur	3.76	0.77
	White Hope Pharmaceuticals Pvt Ltd	1.92	1.06
	Medmate Pharma Private Limited	5.18	2.78
	Om Prakash Bhandari	1.76	0.72
	Rohan Bhandari	0.76	0.76
Interest on Unsecured loan	Yvr Siva Kumar	0.45	0.54
	Lavu Sahadev	0.37	0.67
Remuneration Paid	Prabhat Agrawal	40.72	34.53
	Prem Sethi	22.23	19.10
	Cv Ram	16.71	3.60
	Jayant Prakash	6.12	4.13

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sitting fees paid to Independent Directors		2.18	-
	Geetika Sharma	0.54	0.54
	Rani Atreja	0.07	0.07
	Hemant Jose Barros	6.08	5.11
	K E Prakash	7.11	6.69
	K E Prakash (Huf)	3.47	3.30
	Neepa Gala	0.81	0.78
	Kamlesh Jaggi	0.18	0.21
	Mitesh Bhavsar	1.47	1.28
	Deval Bhavsar	1.47	1.28
Rent Paid	K Naveen Kumar Gupta	2.52	2.52
	Champa Bai	2.38	2.27
	Mahider Reddy Dasari	0.95	0.95
	Manjula Reddy Dasari	0.95	0.95
	Shahbaz Siddiqui	0.14	0.36
	Sudeep Kaur	1.44	1.44
	Sri Vasavi Combines	3.51	2.76
	Guttahalli Krishnappa Shridhar	0.71	-
	R.S. Enterprises Pvt Ltd.	2.38	-
	Sivakumar N	4.44	4.44
	Alison Teofista De Barros	0.43	0.40
	Alison Teofista De Barros	0.93	0.93
Legal and Professional charges	Getwell Pharmaceuticals	2.40	2.40
	Sanjeev Jaggi	2.40	2.40
	Rk Business Consultancy	3.90	3.90
Reimbursement of Expenses	K E Prakash	0.99	0.54
	Champa Bai	0.53	0.39
Loan given	Shahbaz Siddiqui	-	4.00
Loan repaid	Shahbaz Siddiqui	4.00	-
	Om Prakash Bhandari	23.94	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Closing Balance of Related party transaction

Nature of Transaction	Name of the related party	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Loan	Om Prakash Bhandari	10.06	34.00
	Rohan Bhandari	-	10.00
	Shahbaz Siddiqui	-	4.00
Trade Receivable	Kumar Medical	1.81	4.30
	MEDMATE PHARMA PRIVATE LIMITED	0.10	0.17
	ERIS LIFESCIENCES LTD	0.15	-
	LIFECCELL INTERNATIONAL PVT LTD	0.00	-
	DEDEEPPYA PHARMA	0.88	1.89
	SRI RAMA PHARMACEUTICAL DISTRIBUTORS	-	61.95
	DEDEEPPYA PHARMA PVT LTD	413.38	85.42
	MEDMERUS LIFE SCIENCES	0.00	0.00
	SVS DISTRIBUTORS BILASPUR	5.08	31.01
	WHITE HOPE PHARMACEUTICALS PVT LTD	0.05	0.30
	Dhanvantri Speciality Private Ltd	13.99	-
	R.S.Enterprises Pvt Ltd.	3.15	-
	ERIS LIFESCIENCESS LTD	25.38	-
	EVAEVO LIFESCIENCE PRIVATE LIMITED	0.68	0.34
	VALENTINO F. PINTO..	0.01	0.02
Trade Payables	Sri Rama Associates	0.14	0.24
	MEDMATE PHARMA PRIVATE LIMITED	1.17	0.94
	Mediste Pharmaceuticals Pvt. Ltd.	1.09	1.02
	DEDEEPPYA PHARMA (Proprietor)	0.00	1.29
	SRI RAMA PHARMACEUTICAL DISTRIBUTORS	0.22	7.30
	DEDEEPPYA PHARMA PVT LTD	0.00	-
	MEDMERUS LIFE SCIENCES	0.64	1.85
	SVS DISTRIBUTORS BILASPUR	1.99	0.32
	WHITE HOPE PHARMACEUTICALS PVT LTD	0.66	0.11
	Medmate Pharma Private Limited	0.32	0.14
Interest accrued on loan from related parties	YVR Siva Kumar	0.41	4.48
	Lavu Sahadev	-	10.60

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Nature of Transaction	Name of the related party	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent Payable	Geetika Sharma	0.05	0.05
	Rani Atreja	0.01	0.01
	Hemant Jose Barros	-	0.48
	K E Prakash	0.78	0.79
	K E Prakash (HUF)	0.46	0.51
	SIVAKUMAR N	0.37	0.37
	Mitesh Bhavsar	0.12	0.12
	Deval Bhavsar	0.12	0.12
	K NAVEEN KUMAR GUPTA	0.21	0.21
	SUDEEP KAUR	0.12	0.12
	Sri Vasavi Combines	0.52	0.23
	GUTTAHALLI KRISHNAPPA SHRIDHAR	0.26	-
Other Payable	Alison Teofista de Barros	0.07	0.12
	Sanjeev Jaggi	0.43	-
	RK Business Consultancy	0.35	0.35
	Champa Bai	0.08	0.04

C. Key management personnel compensation:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Director Remuneration:		
Salaries and Allowances	85.78	61.36

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the Group as a whole and hence excluded.

- D. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 50 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities is as per activities specified in Schedule VII of the Companies Act, 2013.

50.01

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Gross Amount required to be spent as per Section 135 of the Act	3.43	2.27
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	3.43	2.27

50.02

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Amount approved by the Board to be spent during the year	3.43	2.27

50.03 Amount spent during the year on

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	3.43	2.27

50.04 Amount spent during the year on

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Amount Required to be spent by the Company during the year	3.43	2.27
Actual Amount Spent by the Company during the year	3.43	2.27
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	NA	NA

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 51 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATIONS OF CONSOLIDATED FINANCIAL STATEMENTS:-

As at 31st March, 2024

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Holding company								
Entero Healthcare Solutions Limited	16264.13	99.09%	384.40	96.60%	1.05	(49.35%)	385.45	97.38%
Subsidiaries Company								
Novacare Healthcare Solutions Private Limited	41.41	0.25%	(3.77)	(0.95%)	(0.18)	8.53%	(3.95)	(1.00%)
G.S.Pharmaceutical Distributors Private Limited	(0.95)	(0.01%)	(12.22)	(3.07%)	(0.13)	6.16%	(12.36)	(3.12%)
R S M Pharma Private Limited	140.91	0.86%	48.33	12.15%	0.35	(16.45%)	48.68	12.30%
Getwell Medicare Solution Private Limited	199.94	1.22%	24.27	6.10%	(0.02)	0.82%	24.25	6.13%
Sundarlal Pharma Distributors Private Limited	(77.92)	(0.47%)	(13.81)	(3.47%)	(0.02)	1.08%	(13.83)	(3.49%)
Chhabra Healthcare Solutions Private Limited	(51.24)	(0.31%)	(24.20)	(6.08%)	0.19	(8.83%)	(24.01)	(6.07%)
Galaxystar Pharma Distributors Private Limited	60.78	0.37%	17.53	4.40%	(0.79)	37.09%	16.74	4.23%
Avenues Pharma Distributors Private Limited	(13.25)	(0.08%)	(20.94)	(5.26%)	0.35	(16.40%)	(20.59)	(5.20%)
Chirag Medicare Solutions Private Limited	227.35	1.39%	57.28	14.39%	(0.20)	9.47%	57.08	14.42%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Jaggi Enterprises Private Limited	(31.65)	(0.19%)	(22.27)	(5.60%)	(0.12)	5.80%	(22.39)	(5.66%)
Chethana Healthcare Solutions Private Limited	18.66	0.11%	3.64	0.91%	0.15	(7.22%)	3.79	0.96%
Vasavi Medicare Solutions Private Limited	(15.68)	(0.10%)	(11.32)	(2.85%)	(0.01)	0.24%	(11.33)	(2.86%)
SVMED Solutions Private Limited	(5.74)	(0.03%)	(19.12)	(4.81%)	(0.09)	4.22%	(19.21)	(4.85%)
Chethana Pharma Private Limited	221.69	1.35%	40.17	10.09%	(0.15)	7.04%	40.02	10.11%
Millennium Medisolutions Private Limited	13.84	0.08%	4.85	1.22%	(0.03)	1.40%	4.82	1.22%
Rada Medisolutions Private Limited	(17.98)	(0.11%)	(6.74)	(1.69%)	(0.14)	6.84%	(6.88)	(1.74%)
Sesha Balajee Medisolutions Private Limited	18.90	0.12%	3.77	0.95%	0.13	(6.05%)	3.90	0.99%
Barros Enterprises Private Limited	56.53	0.34%	13.81	3.47%	(0.05)	2.41%	13.75	3.47%
Chethana Pharma Distributors Private Limited	(16.32)	(0.10%)	(5.30)	(1.33%)	0.18	(8.65%)	(5.12)	(1.29%)
Sree Venkateshwara Medisolutions Private Limited	(12.22)	(0.07%)	(4.82)	(1.21%)	(0.07)	3.08%	(4.89)	(1.24%)
CPD Pharma Private Limited	(12.56)	(0.08%)	(4.90)	(1.23%)	0.03	(1.32%)	(4.87)	(1.23%)
Calcutta Medisolutions Private Limited	(11.05)	(0.07%)	(5.53)	(1.39%)	(0.03)	1.41%	(5.56)	(1.40%)
Curever Pharma Private Limited	(383.56)	(2.34%)	(53.26)	(13.38%)	(1.01)	47.83%	(54.27)	(13.71%)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Rimedio Pharma Private Limited	(0.08)	(0.00%)	(0.02)	(0.00%)	-	0.00%	(0.02)	(0.00%)
Quomed Life Sciences Private Limited	(0.10)	(0.00%)	(0.06)	(0.02%)	-	0.00%	(0.06)	(0.02%)
Western Healthcare Solutions Private Limited	58.96	0.36%	23.71	5.96%	(1.24)	58.48%	22.48	5.68%
City Pharma Distributors Private Limited	(15.33)	(0.09%)	(5.83)	(1.46%)	0.00	(0.20%)	(5.82)	(1.47%)
Atreja Healthcare Solutions Private Limited	(10.33)	(0.06%)	(5.14)	(1.29%)	(0.03)	1.20%	(5.17)	(1.31%)
New Siva Agencies Private Limited	(8.42)	(0.05%)	(7.24)	(1.82%)	0.03	(1.56%)	(7.20)	(1.82%)
New RRPD Private Limited	(13.59)	(0.08%)	(9.79)	(2.46%)	(0.01)	0.34%	(9.79)	(2.47%)
Swami Medisolutions Private Limited	(12.17)	(0.07%)	(8.74)	(2.20%)	(0.01)	0.40%	(8.75)	(2.21%)
Zennx Software Solutions Private Limited	0.01	0.00%	(0.03)	(0.01%)	-	0.00%	(0.03)	(0.01%)
Sri Parshva Pharma Distributors Private Limited	0.37	0.00%	(8.88)	(2.23%)	(0.03)	1.64%	(8.91)	(2.25%)
Sri Rama Pharmaceutical Distributors Private Limited	(7.90)	(0.05%)	(21.50)	(5.40%)	(0.05)	2.33%	(21.56)	(5.45%)
Saurashtra Medisolutions Private Limited	(10.19)	(0.06%)	(6.53)	(1.64%)	(0.08)	3.93%	(6.61)	(1.67%)
SVS Lifesciences Private Limited	(8.59)	(0.05%)	(6.68)	(1.68%)	0.00	(0.09%)	(6.67)	(1.69%)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
S.S. Pharma Traders Private Limited	33.99	0.21%	22.65	5.69%	(0.10)	4.56%	22.56	5.70%
Entero R.S Enterprises Private Limited	27.19	0.17%	27.09	6.81%	-	0.00%	27.09	6.84%
Dhanvanthri Super Specialty Private Limited	16.42	0.10%	16.32	4.10%	-	0.00%	16.32	4.12%
Sub Total	16,664.27	101.53%	399.17	100.31%	(2.12)	100.16%	397.05	100.32%
Inter Company elimination & Consolidation adjustment	(283.73)	(1.73%)	(8.12)	(2.04%)	0.00	(0.16%)	(8.12)	(2.05%)
Non-controlling interests	33.28	0.20%	6.90	1.73%	-	0.00%	6.90	1.74%
	16,413.84	100.00%	397.94	100.00%	(2.12)	100.00%	395.82	100.00%

As at 31st March, 2023

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Holding company								
Entero Healthcare Solutions Private Limited	5,837.32	97.67%	(124.55)	112.17%	0.96	14.48%	(123.59)	118.37%
Subsidiaries Company								
Novacare Healthcare Solutions Private Limited	45.35	0.76%	(1.37)	1.23%	(0.30)	(4.53%)	(1.67)	1.60%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
G.S.Pharmaceutical Distributors Private Limited	11.40	0.19%	(7.57)	6.82%	0.25	3.77%	(7.32)	7.01%
R S M Pharma Private Limited	92.23	1.54%	38.14	(34.35%)	0.61	9.20%	38.75	(37.12%)
Getwell Medicare Solutions Private Limited	175.69	2.94%	30.23	(27.23%)	0.36	5.43%	30.59	(29.30%)
Sundarlal Pharma Distributors Private Limited	(64.08)	(1.07%)	(17.31)	15.59%	0.31	4.68%	(17.00)	16.28%
Chhabra Healthcare Solutions Private Limited	(27.23)	(0.46%)	(8.39)	7.56%	0.10	1.51%	(8.29)	7.94%
Galaxystar Pharma Distributors Private Limited	44.03	0.74%	28.81	(25.95%)	(0.01)	(0.15%)	28.80	(27.59%)
Avenues Pharma Distributors Private Limited	7.33	0.12%	4.29	(3.86%)	0.99	14.94%	5.28	(5.06%)
Chirag Medicare Solutions Private Limited	170.26	2.85%	51.12	(46.04%)	0.62	9.35%	51.74	(49.56%)
Jaggi Enterprises Private Limited	(9.26)	(0.15%)	(4.67)	4.21%	(0.02)	(0.30%)	(4.69)	4.49%
Chethana Healthcare Solutions Private Limited	14.87	0.25%	5.12	(4.61%)	0.16	2.41%	5.28	(5.06%)
Vasavi Medicare Solutions Private Limited	(4.36)	(0.07%)	(6.04)	5.44%	(0.09)	(1.36%)	(6.13)	5.87%
SVMED Solutions Private Limited	13.47	0.23%	(8.41)	7.57%	0.01	0.15%	(8.40)	8.05%
Chethana Pharma Private Limited	181.67	3.04%	55.53	(50.01%)	0.30	4.53%	55.83	(53.48%)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Millennium Medisolutions Private Limited	9.01	0.15%	(11.05)	9.95%	(0.02)	(0.30%)	(11.07)	10.60%
Rada Medisolutions Private Limited	(11.10)	(0.19%)	(4.21)	3.79%	(0.04)	(0.60%)	(4.25)	4.07%
Sesha Balajee Medisolutions Private Limited	15.00	0.25%	(1.10)	0.99%	0.19	2.87%	(0.91)	0.87%
Barros Enterprises Private Limited	42.76	0.72%	10.22	(9.20%)	0.21	3.17%	10.43	(9.99%)
Chethana Pharma Distributors Private Limited	(11.20)	(0.19%)	(3.37)	3.04%	(0.01)	(0.15%)	(3.38)	3.24%
Sree Venkateshwara Medisolutions Private Limited	(7.23)	(0.12%)	(3.26)	2.94%	0.04	0.60%	(3.22)	3.08%
CPD Pharma Private Limited	(7.68)	(0.13%)	(5.23)	4.71%	(0.01)	(0.15%)	(5.24)	5.02%
Calcutta Medisolutions Private Limited	(5.49)	(0.09%)	(4.09)	3.68%	(0.03)	(0.45%)	(4.12)	3.95%
Curever Pharma Private Limited	(329.29)	(5.51%)	(152.99)	137.79%	0.99	14.94%	(152.00)	145.59%
Rimedio Pharma Private Limited	(0.06)	(0.00%)	(0.08)	0.07%	-	0.00%	(0.08)	0.08%
Quomed Life Sciences Private Limited	(0.04)	(0.00%)	(0.07)	0.06%	-	0.00%	(0.07)	0.07%
Western Healthcare Solutions Private Limited	36.50	0.61%	15.77	(14.20%)	1.11	16.75%	16.88	(16.17%)
City Pharma Distributors Private Limited	(9.51)	(0.16%)	(6.52)	5.87%	(0.02)	(0.30%)	(6.54)	6.26%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	₹	% of consolidated net assets	₹	% of consolidated profit or loss	₹	% of consolidated OCI	₹	% of consolidated Total comprehensive income
Atreja Healthcare Solutions Private Limited	(5.16)	(0.09%)	(4.05)	3.65%	-	0.00%	(4.05)	3.88%
New Siva Agencies Private Limited	(1.21)	(0.02%)	(1.71)	1.54%	0.01	0.15%	(1.70)	1.63%
New RRPD Private Limited	(3.79)	(0.06%)	(4.96)	4.47%	0.01	0.15%	(4.95)	4.74%
Swami Medisolutions Private Limited	(3.43)	(0.06%)	(1.65)	1.49%	(0.01)	(0.15%)	(1.66)	1.59%
Zennx Software Solutions Private Limited	0.04	0.00%	(0.04)	0.04%	-	0.00%	(0.04)	0.04%
Sri Parshva Pharma Distributors Private Limited	9.28	0.16%	7.90	(7.11%)	(0.07)	(1.06%)	7.83	(7.50%)
Sri Rama Pharmaceutical Distributors Private Limited	13.66	0.23%	15.29	(13.77%)	(0.01)	(0.15%)	15.28	(14.64%)
Saurashtra Medisolutions Private Limited	(3.58)	(0.06%)	(3.68)	3.31%	-	0.00%	(3.68)	3.52%
SVS Lifesciences Private Limited	(1.92)	(0.03%)	(2.02)	1.82%	-	0.00%	(2.02)	1.93%
S.S. Pharma Traders Private Limited	11.44	0.19%	11.34	(10.21%)	-	0.00%	11.34	(10.86%)
Sub Total	6,225.69	104.17%	(114.63)	103.24%	6.59	99.42%	(108.04)	103.49%
Inter Company elimination & Consolidation adjustment	(275.42)	(4.61%)	(0.93)	0.84%	(0.02)	(0.29%)	(0.95)	0.91%
Non-Controlling interests	26.34	0.44%	4.53	(4.08%)	0.06	0.87%	4.59	(4.39%)
	5,976.61	100.00%	(111.03)	100.00%	6.63	100.00%	(104.40)	100.00%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

NOTE 52 STATEMENT OF UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount in US\$	Amount in ₹	Amount in US\$	Amount in ₹
Advance to vendors	0.02	1.98	0.03	2.20

NOTE 53 SUBSEQUENT EVENTS AFTER THE REPORTING YEAR.

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 29th May, 2024, the Holding Company has entered into a share purchase agreement for purchase of 8000 equity shares at ₹ 10 each (80% stake) in Avenir Lifecare Pharma Private Limited (ALPPL) on 7th May, 2024, resulting in ALPPL becoming the subsidiary of the company.

NOTE 54 EMPLOYEE STOCK OPTION PLAN (ESOP)

The board vide its resolution dated 26th August, 2023 approved Entero Employee Stock Option Plan 2023 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum year of continued employment to the eligible employees of the Group, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

Once vested, the options remain exercisable for a year of 8 years during the course of employment with the Group or within a year of 2 years from separation subject to conditions mentioned in the plan.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one number of equity share. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The contractual term of the share options is 4 years and there are no cash settlement alternatives for the employees.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year :

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	WAEP (₹)	Number	WAEP (₹)
Options outstanding at beginning of year	-	-	-	-
Add: Options granted during the year	240,700	804.00	-	-
Less: Options exercised during the year	-	-	-	-
Less: Options lapsed during the year	6,800	804.00	-	-
Options outstanding at the end of year	233,900	804.00	-	-

Option exercisable at the end of year

The options outstanding at the year ending on 31st March, 2024 with exercise price of ₹ 804 are 233,900 options and a weighted average remaining contractual life of all options are 5.89 years.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs used:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Weighted average fair value of the options at the grant dates (₹)	311.32	-
Dividend yield (%)	0.00%	-
Risk free interest rate (%)	7.15%	-
Expected life of share options (years)	5.89 years	-
Expected volatility (%)	20.50%	-
Weighted average share price (₹)	803.67	-

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme Compensation were as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employee option plan 2023	17.67	-
Total Employee Stock Option Scheme Compensation	17.67	-

NOTE 55 UTILISATION OF MONEY RAISED THROUGH PUBLIC ISSUE

During the year ended 31st March, 2024, the Holding Company has completed its Initial Public Offer ("IPO") of 12,720,044 equity shares of face value of ₹ 10/- each comprising of (i) fresh issue of 79,50,569 equity shares at an issue price of ₹ 1,258 per equity share (which includes allotment of 15,268 equity shares under employees reservation at discount of ₹ 119 per equity shares); (ii) an offer for sale of 47,69,475 equity shares at an issue price of ₹ 1,258 per equity share. The Company also listed 30,773,723 existing shares of face value of ₹ 10/- each. As a result 43,493,767 equity shares of the Holding Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 16th February, 2024. The utilization of the proceeds (net of IPO expenses) as on 31st March, 2024 is summarized as below:

Particulars	Utilisation as per prospectus	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Repayment/prepayment in full or part, of certain borrowings availed of by our company	1,425.00	1,425.00	-
Funding of long term working capital requirements of the company and its subsidiaries	4,800.00	1,579.50	3,220.50
Inorganic growth initiative through acquisitions	2,370.00	-	2,370.00
General corporate purposes	918.30	102.70	815.60
Total	9,513.30	3,107.20	6,406.10

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	For the year ended 31st March, 2024
Balance amount in current account	0.50
Investment in fixed deposits of banks	6,405.60
Total	6,406.10

The Holding Company has incurred 779.31 million as IPO related expenses and allocated such expenses between the Holding Company 486.70 million and selling shareholders 292.60 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of 486.70 million, 486.15 million has been adjusted to securities premium.

NOTE 56 FOREIGN EXCHANGE AND EXPENDITURE:

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Amount in US\$	Amount in Rs.	Amount in US\$	Amount in Rs.
Value of import calculated on C.I.F. basis				
i) Purchase of Stock-in-trade	0.34	28.61	0.55	44.34
Total	0.34	28.61	0.55	44.34

NOTE 57 OTHER STATUTORY INFORMATION:

(i) Details of benami property held

The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) Relationships with struck off companies

The Group do not have any transactions with companies struck off.

(iii) Registration of charges or satisfaction with Registrar of Companies

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.

(iv) Details of crypto currency or virtual currency

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) Utilisation of borrowings availed from banks and financial institutions

The Group have not advanced or extended loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) Undisclosed Income

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or by any government authorities.

(viii) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group during the current and previous year.

(xi) Valuation of PPE, intangible assets and Investment property

The Group has not revalued its property, plant and equipment (Including Right of use assets) or intangible assets or both during the current or previous year.

(xii) Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which use accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Group used various applications software for revenue, billing and receivables, purchase and payables, inventory management and for maintaining books of accounts, as the case may be; during the year ended 31st March, 2024.

Of which, audit trail (edit log) feature was not available in case of one software application, as a result, five subsidiary companies (which used the software application) did not maintain an audit trail of its accounting transactions and logs of changes made therein during the year. Two more subsidiary companies used the same software application for part of the year resulting in absence of maintenance of an audit trail of all accounting transaction recorded in the period and an edit log of all changes made therein for the part of the year.

Two software applications had an audit trail (edit log) feature at application level and at database level. However, it was not enabled during the year. As a result, two subsidiary companies, who used the above software applications, did not maintain an audit trail for all accounting transactions recorded during the year and an edit log of changes made therein.

One software application had an audit trail (edit log) feature at application level and at database level which was enabled during the year. However, the edit logs did not capture one particular characteristic of the changes made to the data. Resultant, the holding company and three subsidiary companies who used the software application maintained an audit trail of all transactions recorded during the year as well as edit logs of all the changes made therein except for one particular characteristic of the change, as mentioned above.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2024

(Amount in Millions, unless otherwise stated)

Further, the audit trail feature operated through out the year for all the relevant transactions recorded in the software application, except for the log of one particular characteristic of the changes made during the year for all the relevant transactions recorded therein. Further, there were no instances of audit trail feature being tampered with in respect of this application software.

(xiii) Backup of books of accounts

The Group uses various software applications to maintain books of accounts and other books and records in the electronic mode "electronic records". During the year, the group has maintained these electronic records on servers located in India and also maintained daily backups except for: In case of seven subsidiaries, no backups were taken on sundays; In case of one subsidiary, only monthly backups were maintained for the part of the year.

NOTE 58

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **MSKA & Associates**

Chartered Accountants

Firm's Registration No: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

Place: Mumbai

Date: 29th May, 2024

For and on behalf of the Board of Directors of

Entero Healthcare Solutions Limited

CIN: L74999HR2018PLC072204

Prabhat Agrawal

Managing Director & CEO

DIN: 07466382

Jayant Prakash

Company Secretary

Membership No: FCS-6742

Place: Mumbai

Date: 29th May, 2024

Prem Sethi

Whole Time Director & COO

DIN: 07077034

CV Ram

Chief Financial Officer

Membership No: 206013

Place: Mumbai

Date: 29th May, 2024



ENTERO HEALTHCARE SOLUTIONS LIMITED

Plot No. I-35, Building -B,
Industrial Area Phase-I,
13/7 Mathura Road,
Faridabad, Haryana, 121003

CIN: L74999HR2018PLC072204

www.enterohealthcare.com