

ONESOURCE SPECIALTY PHARMA LIMITED

(CIN: – U74140KA2007PLC043095)

Registered Office: 201, Devavrata, Sector 17, Vashi, Navi Mumbai, Maharashtra, India - 400703

Corporate Office: Star 1 Opp IIM Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Karnataka, India- 560076

Tel No: +91 80 6784 0000 **Email:** cs@onesourcecdmo.com **Website:** https://www.stelis.com/

NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF ONESOURCE SPECIALTY PHARMA LIMITED PURSUANT TO ORDER DATED JULY 26, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

MEETING

Day	Tuesday
Date	September 10, 2024
Time	11:30 AM
Mode	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video conferencing (VC) or Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	Tuesday, September 3, 2024

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The Notice of the Meeting, Statement under Sections 230 and 232, 102 and other applicable provisions of the Act read with Rule 6 of the CAA Rules is available in this document (page nos. 3 to 51) and and Annexure A to Annexure J is available at (link) which constitute a single and complete set of documents and should be read together, as they form an integral part of this document..

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY APPLICATION NO: CA(CAA)/118/(MB)/2024

**In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with
Companies (Compromises, Arrangements and Amalgamations) Rules, 2016**

AND

In the matter of Scheme of Arrangement

Between

STRIDES PHARMA SCIENCE LIMITED

("Strides" or "Transferor Company 1" or "Demerged Company 1")

AND

STERISCIENCE SPECIALTIES PRIVATE LIMITED

("Steriscience" or "Transferor Company 2" or "Demerged Company 2")

AND

ONESOURCE SPECIALTY PHARMA LIMITED

(Formerly known as "Stelis Biopharma Limited")

("Onesource" or "Transferee Company" or "Resulting Company")

AND

Their Respective Shareholders ('Scheme')

FORM NO. CAA 2

*[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements
and Amalgamations) Rules, 2016]*

Onesource Specialty Pharma Limited,

a company incorporated under the provisions of the

Companies Act, 1956 having its registered office at

201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400703

CIN: U74140KA2007PLC043095

... Third Applicant Company / Transferee Company

/ Resulting Company

(Strides Pharma Science Limited is referred as "First Applicant Company" and Steriscience Specialty Pharma Limited is referred as "Second Applicant Company")

(The First Applicant Company, Second Applicant Company and Third Applicant Company collectively known as "Applicant Companies".)

**NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF ONESOURCE SPECIALTY PHARMA LIMITED
("ONESOURCE" OR "TRANSFEREE COMPANY" OR "RESULTING COMPANY" OR "THIRD APPLICANT COMPANY")**

To,

The Secured Creditors of Onesource Specialty Pharma Limited

Notice is hereby given pursuant to the directions of Hon'ble National Company Law Tribunal Mumbai Bench ('Tribunal' or 'NCLT') vide its order dated July 26, 2024 ('Order'), a meeting to be held of the secured creditors of the Onesource Specialty Pharma Limited, for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1" or "Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Onesource Specialty Pharma Limited ("Onesource" or "Transferee Company" or "Resulting Company") and their respective shareholders ('Scheme')

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the secured creditors of the Third Applicant Company will be held through VC / OAVM on Tuesday, September 10, 2024 at 11:30 AM (IST) ("Meeting") with the facility of e-voting facility available during the meeting. Accordingly, you are requested to attend the Meeting.

Copies of the Scheme and of the Explanatory Statement, under Sections(s) 230 to 232, 102 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Second Applicant Company at 201, Devavrata, Sector 17, Vashi, Navi Mumbai, Sanpada, Thane, Maharashtra, India, 400703 during business hours.

The National Securities Depository Limited ("NSDL") shall provide the facility to attend the meeting through VC / OAVM and to vote through e-voting system during the meeting. Accordingly, secured creditors can vote through the e-voting facility available during the meeting. A body corporate who is a secured creditor is entitled to appoint a representative for the purposes of participating and / or voting e-voting during the meeting.

The Tribunal has appointed, Mr. V Nallasenapathy as the Chairperson and Mr. Nrupang Dholakia as the Scrutinizer for the meeting of secured creditors including for any adjournment or adjournments thereof as per the NCLT order/directions. The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Tribunal.

TAKE NOTICE that the following resolution is proposed under Section 230 and other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Second Applicant Company, for the purpose of considering, and if thought fit, approving, the Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1" or "Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Onesource Specialty Pharma Limited ("Onesource" or "Transferee Company" or "Resulting Company") and their respective shareholders ('Scheme')

"RESOLVED THAT pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961 and the Rules thereunder, and all other provisions of applicable laws, or any amendments thereto or modifications thereof, and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Mumbai ('Tribunal' or 'NCLT') and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers

conferred by this resolution), approval of the Secured Creditors of the Company, be and is hereby accorded to the Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1" or "Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Onesource Specialty Pharma Limited ("Onesource" or "Transferee Company" or "Resulting Company") and their respective shareholders ("Scheme")."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required and/or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

A copy of the Explanatory Statement, under Section(s) 230 to 232, 102 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Date: August 06, 2024

Place: Mumbai

Registered Office:

**201, Devavrata, Sector 17, Vashi,
Navi Mumbai, Sanpada, Thane, Thane,
Maharashtra - 400703**

Sd/-

**Mr. V Nallasenapathy
(Chairperson appointed for the Meeting)**

Notes:

- (1) In terms of the order dated July 26, 2024 of the Tribunal, Mumbai Bench, the Third Applicant Company is convening the meeting of secured creditors of the Third Applicant Company through VC / OAVM in compliance with the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013 and Rules made thereunder. E-voting facility during the meeting will also be available.
- (2) Only secured creditors of the Third Applicant Company existing as on the cut-off date may vote by e-voting facility during the meeting.
- (3) Where in case secured creditor is a Corporate/ Body Corporate/ Institution, then pursuant to Section 113 of the Act, they are entitled to participate in the Meeting through their Authorised Representatives. Such Corporate secured creditor is required to send either authorisation through email at nrupang@mrugacsl.com or deposit at the Registered Office of the Third Applicant Company, a duly certified copy of the Board Resolution/ Power of Attorney authorizing such Authorized Representative along with the ID of Authorized Representative, to attend and vote at the Meeting on its behalf, not later than 48 hours before the time fixed for the aforesaid Meeting
- (4) All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days of the Company between 11:00 a.m. and 1:00 p.m. up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
- (5) National Securities Depository Limited ("NSDL") has been appointed to provide a platform for the e-voting option during the meeting in a secured and transparent manner. Detailed instructions for participation in e-voting and e-voting during the meeting are provided to the Notice.
- (6) Please take note that as per the directions of the Tribunal and the discretion exercised by the Chairperson in consultation with the counsel, the meeting is proposed to be through VC / OAVM with the facility of e-voting during the meeting.

- (7) The voting rights of the secured creditors shall be in proportion to their shareholding of the paid-up secured creditor of the Third Applicant Company as on the Cut-Off Date, i.e. September 3, 2024.
- (8) The quorum of the meeting of the secured creditors of the Third Applicant Company shall be 3 (Three) in number of the total secured creditors of the Second Applicant Company as on cut-off date. It is also directed that if the required Quorum is not present at the commencement of the meeting, then the meeting will be adjourned for 30 minutes, and thereafter the persons present, and voting shall be deemed to constitute the quorum.
- (9) The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the secured creditors at the registered office of the Third Applicant Company during business hours on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting. However, the same shall be open for inspection during the aforesaid meeting at the registered office of the Third Applicant Company.
- (10) The Notice, together with the documents accompanying the same, is being sent to all the secured creditors of the Third Applicant Company as on July 31, 2024, either by registered post or speed post at their registered address available with the company or via e-mail. The notice, copies of the Scheme of Arrangement, Explanatory Statement and annexures to the aforementioned documents may also be accessed on the website of the Third Applicant Company viz. <https://www.stelis.com/> and on the website of NSDL viz. www.evoting.nsdl.com.
- (11) The notice convening the meeting will be published through advertisement in (i) Business Standard (English, having nation wide circulation), in the English language and (ii) Navshakti (Marathi, Mumbai Edition), in the Marathi language.
- (12) In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the secured creditors of the Third Applicant Company, voting through e-voting facility during the meeting agree to the Scheme.
- (13) As directed by the Tribunal, Mr. Nrupang Dholakia has been appointed as Scrutinizer for the said meeting of the secured creditors of the Third Applicant Company to scrutinize the voting during the meeting in a fair and transparent manner. Post the meeting, the Scrutinizer will submit the report to the Chairperson after completion of scrutiny of the voting process. As per Order of the Tribunal, the Chairperson shall report the result of the said NCLT convened meeting to the Tribunal within 7 days from the date of the conclusion of the meeting with regard to the proposed Scheme.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY APPLICATION NO: CA(CAA)/118/(MB)/2024

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

AND

In the matter of Scheme of Arrangement

Between

STRIDES PHARMA SCIENCE LIMITED

("Strides" or "Transferor Company 1" or "Demerged Company 1")

AND

STERISCIENCE SPECIALTIES PRIVATE LIMITED

("Steriscience" or "Transferor Company 2" or "Demerged Company 2")

AND

ONESOURCE SPECIALTY PHARMA LIMITED

(Formerly known as "Stelis Biopharma Limited")

("Onesource" or "Transferee Company" or "Resulting Company")

AND

Their Respective Shareholders ('Scheme')

FORM NO. CAA 2

[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

Onesource Specialty Pharma Limited,

a company incorporated under the provisions of the

Companies Act, 1956 having its registered office

at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400703

CIN: U74140KA2007PLC043095

... Third Applicant Company / Transferee Company /
Resulting Company

EXPLANATORY STATEMENT UNDER SECTIONS 230 TO 232, 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Pursuant to the order dated July 26, 2024 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'), in the Company Application Number C.A. (CAA) No. CA(CAA)/118/(MB)/2024 ('Order'), a meeting of the secured creditors of Onesource Specialty Pharma Limited ("**Onesource**" or "**Transferee Company**" or "**Resulting Company**" or "**Third Applicant Company**") is being convened through VC / OAVM with the facility of voting during the meeting through e-voting system on Tuesday, September 10, 2024 at 11:30 A.M. (IST) ('Meeting'), for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1" or "Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Onesource Specialty Pharma Limited ("Onesource" or "Transferee Company" or "Resulting Company") and their respective shareholders ('Scheme') under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (the '**Scheme**'). A Copy of the

scheme, which has been, inter alias, approved by the Board of Directors of the Applicant Companies vide their respective Board Resolutions dated 25th September 2023, in the case of First Applicant Company, Second Applicant Company and Third Applicant Company is enclosed as **Annexure A**. Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme unless otherwise stated.

In terms of the said Order, the quorum for the said meeting shall be 3 (Three) in number of the total secured creditors of the Third Applicant Company as on cut-off date. It is also directed that if the required Quorum is not present at the commencement of the meeting, then the meeting will be adjourned for 30 minutes, and thereafter the persons present, and voting shall be deemed to constitute the quorum.

1. In terms of the said Order, the Tribunal has appointed Mr. V Nallasenapathy as the Chairperson and Mr. Nrupang Dholakia as the Scrutinizer for the meeting of Secured Creditors of Third Applicant Company including for any adjournment or adjournments thereof.
2. This statement is being furnished as required under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 (the '**Act**') read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('**Rules**').
3. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three-fourths in value of the equity shareholders, of the Third Applicant Company, voting through e-voting facility during the meeting agree to the Scheme.

DETAILS OF THE APPLICANT COMPANIES PARTICIPATING IN THE SCHEME OF ARRANGEMENT

Particulars of Strides Pharma Science Limited ('Strides' or 'Transferor Company 1' or 'Demerged Company No. 1' or 'First Applicant Company')

4. Strides Pharma Science Limited ('**Strides**' or '**Transferor Company 1**' or '**Demerged Company No. 1**' or '**First Applicant Company**') having Corporate Identity Number (CIN) **L24230MH1990PLC057062** was incorporated on **28th June 1990**, under the provisions of the Companies Act, 1956. The PAN of the company is **AADCS8104P**. The registered office of the company is situated at **201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India**. The email ID and website of the company are investors@strides.com and <https://strides.com/> respectively.

There has been no change in the registered office address of the company in the last 5 (five) years.

The First Applicant Company was originally incorporated as a Private Limited company under the name of 'Strides Pharmaceuticals Private Limited'. The First Applicant Company was subsequently converted into a public limited company vide approval dated 23rd May 1994, with the name of 'Strides Pharmaceuticals Limited'. The name of the First Applicant Company was further changed to 'Strides Arcolab Limited' with effect from 21st March 1997. The name of the First Applicant Company was further changed to 'Strides Shasun Limited' with effect from 18th November 2015. Further, the name was again changed to its present name of 'Strides Pharma Science Limited' with effect from 18th July 2018.

5. Strides is a global pharmaceutical company headquartered in Bengaluru, India and specialises in developing and manufacturing niche finished dosage formulations. The Company mainly operates in the regulated markets and has an "in Africa for Africa" strategy and an institutional business to service donor-funded markets. The Company's product portfolio encompasses a range of technically complex pharmaceutical products, including liquids, creams, ointments, soft gels, sachets, tablets, and modified-release dosage formats. Its expertise lies in the production of 'difficult to manufacture' products. In addition, Strides boasts a dedicated research and development facility in India with global filing capabilities, enabling continuous innovation and growth. Operating in over 100 countries, Strides has a robust global manufacturing footprint spanning eight facilities across four continents, including Four US FDA-approved sites.

6. The main objects of the First Applicant Company are set out in its Memorandum of Association. The main objects of the First Applicant Company are set out hereunder:

1. *To carry on business in India and elsewhere as manufacturers, producers, processors, formulators, sellers, importers, exporters, merchants, distributors, traders and dealers in proprietary medicine, common medical preparations, drugs, chemicals and allied, solvents, dyes, vitamin preparations, elixirs, drops, tonics, other liquid drugs and medicines, injections, tablets, capsules, lotions, and ointments.*
2. *To carry on the business of preparing for sale or otherwise the formula and formulations for the manufacture of pharmaceutical drugs and medicines, injections, capsules, lotions, patent and proprietary medicines, common medicinal preparations, elixirs, drops, tonics, other liquid drugs and medicines, injections, tablets, lotions ointments, antibiotics, hormones, liver extract, biological and non-biological pharmaceutical tablets, biological and non-biological capsules, tranquilisers, vitamins and tonic preparations, medicated ointments, hormone preparations, ayurvedic products, medicated powders, re-packed drugs, analgesics and antipyretic preparations, anti-diarrheal preparations, diffestures anti-cholinergic preparations, antiasthmatic preparations, ophthalmic lotions and ointments, drugs, druggists as defined under the Drugs Act and Rules in all its branches.*

There has been no change in the object clause of the company in the last 5 (five) years.

7. The authorized, issued, subscribed and paid-up share capital of First Applicant Company as on 30th June 2024 is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital	
18,83,70,000 equity shares of Rs. 10/- each	1,88,37,00,000
Total	1,88,37,00,000
Issued, Subscribed and Paid-up Share Capital	
9,19,09,714 Equity Shares of Rs. 10/- each	91,91,67,140 /-
Total	91,90,97,140/-

As at 30th June 2024, the First Applicant Company has 2,76,000 outstanding employee stock options under the existing stock option schemes, the exercise of which may result in an increase by an equal number of equity shares in the issued and paid-up share capital of the First Applicant Company.

Subsequent to 30th June 2024, on July 29, 2024 the First Applicant company has issued 41,500 shares pursuant to exercise of ESOPs.

8. The equity shares of the First Applicant Company are listed on the National Stock Exchange Limited (NSE) and BSE Limited.
9. The details of the Promoters and Directors of First Applicant Company as on 30th June 2024, along with their addresses are as follows:

Table A: Details of Promoter/Promoter Group:

S. No.	Name	Correspondence Address
	Promoters	
1.	Arun Kumar	Adarsh Residency, #E- 101, 8 th Block, Near Sangam Circle, Jayanagar, Bengaluru - 560 082
2.	KR Ravishankar	#1, "Araganya", Serenity Park, Sarjapur Road, Kaikondranahalli Village, Carmelram Post, Bangalore – 560 035
3.	Pronomz Ventures LLP	Plot No. 30, 1 st Main Road, J.P. Nagar, Third Phase, Bangalore - 560 078.

	Promoter Group	
4.	Aditya Arun Kumar	#D-702, Peninsula Heights, 17 th B Main Road, Behind Bangalore Central Mall, JP Nagar 2 nd Phase, Bangalore- 560 078
5.	Anuradha K R	#164/4, Doresanipalya, Near Kalyani Magnum Tech Park, Bilekahalli, Bangalore – 560078
6.	Hemalatha Pillai	“Karuna”, Kalkere, Opp. Union Bank Staff College, BG Road, Bangalore – 560 076, Karnataka
7.	Padmakumar Karunakaran Pillai	D 1002 Tower 1, Adarsh Palm Retreat Outer Ring Road Devarasabeesana Halli PO Bellandur, Bangalore - 560 103
8.	Rajitha Gopalakrishnan	7-B, Dover Court, Sreekandath Road, Ravipuram, Cochin – 682 016.
9.	Sajitha Pillai	“Karuna”, Surabhi Road, Pulamon P.O., Kottarakkara, Kerala – 691 531.
10.	Vineetha Mohanakumar Pillai	6 Marina Blvd, #40-18, Singapore – 018985
11.	K R Lakshmi	#4019, 6 th Cross, 7 th Block, Jayanagar, Bangalore – 560 082.
12.	Araganya Private Trust (Trustee: Barclays Wealth Trustees (I) Pvt Ltd)	208, Ceejay House, Dr. A B Road, Shivsagar Estate, Worli, Mumbai – 400018.
13.	Karuna Business Solutions LLP	Plot No. 30, 1 st Main Road, J P Nagar, Third Phase, Bangalore – 560 078.
14.	Ambemata Securities	36, Melony Road, A-4, 2 nd Floor, "Prabhakara Apartments", T.Nagar, Chennai - 600 017
15.	Shasun Enterprises LLP	36, Melony Road, A-4, 2 nd Floor, "Prabhakara Apartments", T.Nagar, Chennai - 600 017
16.	Deepa Arun Kumar	Adarsh Residency, #E- 101, 8 th Block, Near Sangam Circle, Jayanagar, Bengaluru - 560 082
17.	Rajeswari Amma	‘Karuna’, Opp. Union Bank Staff College, Kalkere, Bannerghatta Road, Bangalore – 560 076.
18.	Tarini Arun Kumar	A106, Nitesh Logos, Aga Abbas Ali Road, Ulsoor, Bangalore – 560 042
19.	Triumph Venture Holdings LLP	No 1. Serenity Park, Sarjapur Road, Kaikondranahalli Village, Carmelram PO, Bangalore, 560 035
20.	Agnus Capital LLP	Plot No. 30, 1 st Main Road, J P Nagar, Third Phase, Bangalore – 560 078
21.	Agnus Holdings Pvt Ltd	Plot No. 30, 1 st Main Road, J P Nagar, Third Phase, Bangalore – 560 078
22.	Chayadeep Properties Private Ltd	Plot No. 30, 1 st Main Road, J P Nagar, Third Phase, Bangalore – 560 078
23.	Karuna Ventures Private Limited	Plot No. 30, 1 st Main Road, J.P. Nagar, Third Phase, Bangalore - 560 078
24.	Abusha Investment & Manangement Services LLP	No. 27, Mylai Ranganathan Street, T. Nagar, Chennai - 600 017
25.	Shasun Leasing And Finance (P) Limited	Old No.1, New No.2, Jagadeeswaran Street, Thygarayanagar, Chennai - 600 017

Table B: Details of Directors/KMPs:

S. No.	Name	DIN	Designation	Address
1.	Arun Kumar Pillai	00084845	Founder & Executive Chairperson	Adarsh Residency, #E- 101, 8 th Block, Near Sangam Circle, Jayanagar, Bengaluru - 560 082
2.	Kausalya Santhanam	06999168	Independent Director	Royal Enclave, Phase-1, #128/129, Srirampura, Bengaluru - 560 064
3.	Srinivasan Sridhar	00004272	Independent Director (Retired on July 30, 2024)	Ashok Towers, #D-905, Dr. S.S Rao Road, Opposite Gandhi Hospital, Parel, Mumbai - 400 012
4.	Homi Rustam Khusrokhani	00005085	Independent Director	Daisylea, #302, Mount Pleasant Road, Next to Varsha Bungalow, Malabar Hill, Mumbai - 400 006
5.	Ameet Pratapsinh Hariani	00087866	Independent Director	9A Residences, 14 th Floor, Bomanji Petit Road, Mumbai – 400 036
6.	Subir Chakraborty	00130864	Independent Director	Ideal Towers, Flat No.8C BLK-D, 57, Diamond Harbour Road, Kolkata 700 023
7.	Badree Komandur	07803242	Managing Director and Group Chief Executive Officer	#235, 6B Cross, Behind IIM, 3 rd Main, Sundaram Shetty Nagar, Vijayabank Layout, Bengaluru - 560 076
8.	Aditya Arun Kumar	06999081	Executive Director - Business Development	#D-702, Peninsula Heights, 17 th B Main Road, Behind Bangalore Central Mall, JP Nagar 2 nd Phase, Bangalore-560 078
9.	Vikesh Kumar	NA	Group Chief Executive Officer and KMP	38 Prestwick Way, Edison - 08820, New Jersey
10.	Manjula Ramamurthy	NA	Company Secretary & Compliance Officer and KMP	Sumukha Maple Grove, Akshay Nagar, Yelenahalli Road, Bangalore - 560 068.

Subsequent to 30th June 2024, except Mr. Srinivasan Sridhar who has retired on 30th July 2024, there have been no changes in the details of the Promoters and Directors of the First Applicant Company.

Particulars of Steriscience Specialties Private Limited (“Steriscience” or “Transferor Company 2” or “Demerged Company 2” or “Second Applicant Company”):

10. Steriscience Specialties Private Limited (“Steriscience” or “Transferor Company 2” or “Demerged Company 2” or “Second Applicant Company”) having Corporate Identity Number (CIN) **U24304MH2020PTC424881** was incorporated on **29th August 2020**, under the provisions of the Companies Act, 2013. The registered office of the company is situated at **201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400703, Maharashtra, India**. The PAN of the company is **ABECS3133N**. The email ID and website of the company are info@steri-science.com and www.steri-science.com respectively.

The registered address of the company was at 152/6 and 154/16, Dorasani Palya, Begur Hobli, Banerghatta Road, Bangalore, Karnataka - 560076, India. The registered office address was changed from the State of Karnataka to the State of Maharashtra on **8th May 2024**.

The Second Applicant Company was originally incorporated in the name of ‘Steriscience Pharma Private Limited’. The name of the Second Applicant Company was subsequently changed to ‘Steriscience Specialities Private Limited’ with effect from 9th October 2020.

11. The Second Applicant Company is engaged in the business of development, manufacturing, marketing and distribution of niche pharmaceutical products such as injectables for various markets. Steriscience focuses on creating value-added sterile injectables that bridge the gap at hospitals by streamlining workflows, reducing wastage of key resources, and increasing efficiency that solves for challenges of healthcare professionals across the globe, and also offers contract development and manufacturing services in relation to the same.
12. The main objects of the Second Applicant Company are set out in its Memorandum of Association. The main objects of the Second Applicant Company are set out hereunder:
 1. *To carry on the business of research and development, manufacture, produce, sell, import, export, distribute, trade, market and deal otherwise in all kinds of pharmaceutical drugs and medicines, bulk drugs, and compounds including but not limited to Carbapenems, general dry powder Injectables, Ampoules and Liquid vials amongst other dosage formats in India or elsewhere in the world.*

There has been no change in the object clause of the company in the last 5 (five) years.

13. The authorized, issued, subscribed and paid-up share capital of Second Applicant Company as on 30th June 2024 as under:

Particulars	Amount (in Rs.)
Authorised Capital	
1,50,000 Equity Shares of Rs.10/- each	15,00,000
4,00,000 of Compulsorily convertible preference shares of Rs.10/- each	40,00,000
TOTAL	55,00,000
Issued, Subscribed and Paid-up Capital	
18,736 Fully Paid-up Equity Shares of Rs.10/- each	1,87,360
486 Partly paid-up Equity Shares of Rs. 0.1/- each	48.60
TOTAL	1,87,408.60

Prior to the Scheme coming into effect, the 486 partly paid shares of the Second Applicant Company shall be converted into fully paid-up shares. Before the effectiveness of the Scheme, the Second Applicant Company has committed to issue 1,649 shares under other commitments made by the management of the Second Applicant Company, on account of which the above-mentioned share capital may undergo a change.

Subsequent to 30th June 2024, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Second Applicant Company.

14. The securities of the Second Applicant Company are not listed on any stock exchange.
15. The details of the Promoters and Directors of the Second Applicant Company as on 30th June 2024, along with their addresses are as follows:

Table A: Details of Promoter/Promoter Group:

S. No.	Name	Address
	Promoter	
1.	Tenshi Pharmaceuticals Private Limited	First floor, Right Wing, Plot no. 41B & 41C, SY no. 4&8, Block 2, SIDCO Industrial Estate, Alandur Village, Guindy, Ekkaduthangal, Chennai, Chennai City Corporation, Tamil Nadu, India, 600032.

Table B: Details of Directors/KMPs

S. No.	Name	DIN	Designation	Address
1.	Neeraj Sharma	09402652	Director	Backershagenlaan 20, 2243A, Wassenaar, Netherlands
2.	Mahadevan Narayanamoni	07128788	Director	A 502 Aditya Hill Top Apartments, Shaikpet Hyderabad - 500096
3.	Aditya Arun Kumar	06999081	Director	#D702, Peninsula Heights, 17 th B Main Road, Behind Bangalore Central Mall, JP Nagar 2 nd Phase, Bangalore-560078
4.	Chandrappa Seetharamaiah	07405773	Director	#No. 5, 7 th Cross, Gayathri Layout, Basavanapura Road, Devasandra, Krishnarajapuram, Bengaluru- 560036
5.	Bhushan Sudhir Bopardikar	09089555	Additional Director	18/7. Shiv Smruti, Vrindavan SOC, Mankikar Marg, Sion East, Mumbai - 400022
6.	Chhitiz Saraogi	10626776	Additional Director	795/C, Block-A, Near Gopaljee Mandir, Lake Town, North 24 Parganas, West Bengal- 700089

Subsequent to 30th June 2024, there have been no changes in the details of the Promoters and Directors of the Second Applicant Company.

Particulars of Onesource Specialty Pharma Limited (“Onesource” or “Transferee Company” or “Resulting Company” or “Third Applicant Company”):

- Onesource Specialty Pharma Limited (“Onesource” or “Transferee Company” or “Resulting Company” or “Third Applicant Company”) formerly known as “Stelis Biopharma Limited” having a corporate Identity Number (CIN) U74140KA2007PLC043095 was incorporated on 12th June 2007 under the provisions of the Companies Act, 1956. The registered office of the Third Applicant Company was situated at 201, Devavrata, Sector 17, Vashi, Navi Mumbai, Maharashtra - 400703, India. The PAN of the company is AABC17084A. The email ID and website of the company are cs@onesourcecdmo.com and www.stelis.com respectively.

The registered address of the company was at Star 1, Opp IIM Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Bangalore South – 560076. The registered office address was changed from the State of Karnataka to the State of Maharashtra on 25th March 2024.

The Third Applicant Company was incorporated as a Private Limited Company under the name of ‘Inbiopro Solutions Private Limited’. The name of the Third Applicant Company was subsequently changed to ‘Stelis Biopharma Private Limited’ with effect from 24th December 2014. The Third Applicant Company was subsequently converted into a public limited company vide approval dated 31st July 2021, with the name of ‘Stelis Biopharma Limited’. The name of the Third Applicant Company was changed to ‘Onesource Specialty Pharma Limited’ with effect from 13th February 2024. The redeemable non-convertible debentures of the Third Applicant Company are listed on the BSE Limited.

- The Third Applicant Company is engaged in the research, development, manufacture, and commercialization of biological drug products in various injectable formats. Onesource is a leading global biopharmaceutical contract development and manufacturing organization with extensive biologics, bio betters, biosimilars, and vaccine research capabilities and offers end-to-end contract development and manufacturing services across all phases of pre-clinical and clinical development and commercial supply of biologics.

18. The main objects of the Third Applicant Company are set out in its Memorandum of Association. The main objects of the Third Applicant Company are set out hereunder:

1. *To carry on the business of manufacturing, exporting, importing, packing, selling, trading, manufacturing and marketing pharmaceutical raw materials, active pharmaceutical ingredient (API) of a drug, building blocks, catalysts, chiral auxiliaries, pharma protective group chemicals, pharma grade reagents, pharma grade solvents and all other raw materials used in pharma industry, pharmaceutical preparations and drugs for medicinal applications, formulation of different dosage forms such as tablets, capsules, injections, creams, ointments combined with other excipients to produce the desired dosage form, pharmaceuticals, antibiotics, drugs, medicines, biological, nutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, general biochemical medicines, bio-products and all health supplements.*

On November 17, 2024, with the approval of the shareholders, the object clause was amended to expand the company's activities. The amendment includes the addition of various pharmaceutical businesses and the formulation of different dosage forms, such as tablets, capsules, injections, creams etc

There has been no change in the object clause of the company in the last 5 (five) years.

19. The authorized, issued, subscribed and paid up share capital of the Third Applicant Company as on 30th June 2024 as under:

Particulars	Amount (in Rs.)
Authorised Capital	
5,00,00,000 Equity Shares of Rs.1/- each	5,00,00,000
TOTAL	5,00,00,000
Issued, Subscribed and Paid-up Capital	
4,08,73,816 Fully Paid-up Equity Shares of Rs. 1/- each	4,08,73,816
6,72,694 Partly Paid-up Equity Shares of Rs. 0.05/- each	33,634.70
Total	4,09,07,450.70

Prior to the Scheme coming into effect, the 6,72,694 partly paid shares of Third Applicant Company shall be converted into fully paid-up shares. Before the effectiveness of the Scheme, the Third Applicant Company has committed to issue 5,10,144 shares under employee stock options and under other commitments made by the management of the Third Applicant Company, on account of which the above-mentioned share capital may undergo a change.

Subsequent to June 30, while the Authorized Share Capital remains unchanged, 5,75,000 Partly Paid-up Equity Shares are converted into Fully Paid-up Equity Shares

20. The redeemable non-convertible debentures of the Third Applicant Company are listed on the BSE Limited.
21. The details of the Promoters and Directors of the Third Applicant Company as on 30th June 2024, along with their addresses are as follows:

Table A: Details of Promoter/Promoter Group:

S. No.	Name	Address
	Promoter	
1.	Tenshi Pharmaceuticals Private Limited	First floor, Right Wing, Plot no. 41B & 41C, SY no. 4&8, Block 2, SIDCO Industrial Estate, Alandur Village, Guindy, Ekkaduthangal, Chennai, Chennai City Corporation, Tamil Nadu, India, 600032.
2.	Karuna Business Solutions LLP	Cepha Block, First Floor, Sy No 152/6 and 154/16 Dorasani palya, Begur, Hobli, Bannerghatta Road, Bannerghatta Road, Bangalore, Bangalore South, Karnataka, India, 560076

Table B: Details of Directors/KMPs

S. No.	Name	DIN	Designation	Address
1.	Arun Kumar Pillai	00084845	Director	Adarsh Residency, #E-101, 8 th Block, Near Sangam Circle, Jayanagar, Bengaluru – 560 082, Karnataka
2.	Mahadevan Narayanamoni	07128788	Director	Aditya Hill Top Apartments, #A-502, Shaikpet, Hyderabad – 500 096, Telangana
3.	Neeraj Sharma	09402652	Managing Director	flat D-801, Peninsula Heights 46/2, 17 th Main Road, Behind Bangalore Central Mall, JP Nagar II Phase, Bangalore-560078
4.	Bhushan Sudhir Bopardikar	09089555	Director	18/7, Shiv Smruti, Vrindavan Soc, Mankikar Marg Sion East, Mumbai - 400022
5.	Gopakumar Gopalan Nair	00092637	Director	C-002/003, Gokul Plaza Co- Op HSG. SOC. Thakur Complex, opposite Videocon Tower Kandivali, Kandivali East S.O Mumbai, Maharashtra - 400101
6.	Rajashri Santosh Kumar Ojha	07058128	Director	303, Vittoria, Ghodbunder Road, Hiranandani Estate, Patlipada, Thane, Maharashtra – 400607
7.	Rashmi Harshadrai Barbhaiya	10593871	Additional Director	16 Micheal Way, Pennington, United States, NJ 08534
8.	Allada Trisha	NA	Company Secretary & Compliance Officer and KMP	Sutahat Tanjisahj, Buxi Bazar Cuttack, Cuttack Urban -753001, Odisha, India

Subsequent to June 30, 2024, except, Mr. Anurag Bhagania who has been appointed as Chief Financial Officer with effect from July 4, 2024 and Mr. Bharat D. Shah has been appointed as Non-Executive Non-Independent Director w.e.f. July 26, 2024, there have been no changes in the details of the Promoters and Directors of the Third Applicant Company.

22. PRE AND POST ARRANGEMENT CAPITAL STRUCTURE

The Pre-Arrangement capital structure of the First Applicant Company, Second Applicant Company and Third Applicant Company has already been provided under Points 7,13 and 18 respectively of this Statement.

The Post Arrangement capital structure of the First Applicant Company, Second Applicant Company and Third Applicant Company is as follows:

- Name of the Company: Strides Pharma Science Limited

Particulars	Amount (in Rs.)
Authorised Share Capital:	
188,370,000 equity shares of Rs. 10/- each	1,883,700,000
Total	
Issued, Subscribed and Paid Up:	
9,19,09,714 Equity Shares of Rs. 10/- each	91,91,67,140
Total	91,90,97,140

- **Name of the Company: Steriscience Specialties Private Limited**

Particulars	Amount (in Rs.)
Authorised Share Capital:	
1,50,000 equity shares of Rs. 10/- each	15,00,000
Total	15,00,000
Issued, Subscribed and Paid Up:	
20,871 equity shares of Rs. 10/- each, fully paid-up	2,08,710
Total	2,08,710

- **Name of the Company: Onesource Specialty Pharma Limited**

Particulars	Amount (in Rs.)
Authorised Share Capital:	
50,00,00,000 equity shares of Rs.1/- each, fully paid up	50,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid Up:	
10,85,45,256 equity shares of Rs.1/- each, fully paid up	10,85,45,256
Total	10,85,45,256

22. PRE AND POST ARRANGEMENT SHAREHOLDING PATTERN

- The expected pre and post Scheme shareholding pattern of the First Applicant Company is as 30th June 2024 follows:

Sr	Name of Shareholder		Pre Arrangement		Post Arrangement	
(A)	Shareholding of Promoter and Promoter Group		No. of shares	%	No. of shares	%
1	Indian		39,89,091	4.34	39,89,091	4.34
	(a)	Individuals/ Hindu Undivided Family				
	1	Arun Kumar Pillai	19,40,996	2.11	19,40,996	2.11
	2	Aditya Arun Kumar	58,422	0.06	58,422	0.06
	3	Anuradha K R	5,470	0.01	5,470	0.01
	4	Hemalatha Pillai	66,760	0.07	66,760	0.07
	5	K R Lakshmi	1,30,365	0.14	1,30,365	0.14
	6	K R Ravishankar	12,55,593	1.37	12,55,593	1.37
	7	Padmakumar Karunakaran Pillai	1,86,485	0.20	1,86,485	0.20
	8	Rajitha Gopalakrishnan	60,000	0.07	60,000	0.07
	9	Sajitha Pillai	95,000	0.10	95,000	0.10
	10	Vineetha Mohanakumar Pillai	1,90,000	0.21	1,90,000	0.21
	11	Deepa Arun Kumar	-	-	-	-
	12	Rajeswari Amma	-	-	-	-
	13	Tarini Arun Kumar	-	-	-	-
	(b)	Central Government/ State Government(s)	-	-	-	-
	(c)	Financial Institutions/Banks	-	-	-	-
	(d)	Any Other - BODY CORPORATE	1,97,78,451	21.52	1,97,78,451	21.52
	14	Ambemata Securities	2,40,860	0.26	2,40,860	0.26

Sr	Name of Shareholder			Pre Arrangement		Post Arrangement	
(A)	Shareholding of Promoter and Promoter Group			No. of shares	%	No. of shares	%
	15	Shasun Enterprises LLP		2,22,977	0.24	2,22,977	0.24
	16	Pronomz Ventures LLP		1,57,89,564	17.18	1,57,89,564	17.18
	17	Karuna Business Solutions LLP		32,25,050	3.51	32,25,050	3.51
	18	Araganya Private Trust		3,00,000	0.33	3,00,000	0.33
	19	Abusha Investment & Management Services LLP		-	-	-	-
	20	Agnus Capital LLP		-	-	-	-
	21	Agnus Holdings Pvt Limited		-	-	-	-
	22	Chayadeep Properties Private Limited		-	-	-	-
	23	Karuna Ventures Private Limited		-	-	-	-
	24	Shasun Leasing and Finance (P) Limited		-	-	-	-
	25	Triumph Venture Holdings LLP		-	-	-	-
		Sub Total(A)(1)		2,37,67,542	25.86	2,37,67,542	25.86
2	Foreign						
	(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)		-	-	-	-
	(b)	Government					
	(c)	Institutions		-	-	-	-
	(d)	Foreign Portfolio Investor		-	-	-	-
	(e)	Any Other		-	-	-	-
		Sub Total(A)(2)		-	-	-	-
		Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		2,37,67,542	25.86	2,37,67,542	25.86
(B)	Public shareholding						
1	Institutions (Domestic)						
	(a)	Mutual Funds/ UTI		96,54,752	10.50	96,54,752	10.50
	(b)	Venture Capital Funds		-	-	-	-
	(c)	Alternate Investment Funds		13,81,306.00	1.50	13,81,306.00	1.50
	(d)	Banks		9,025	0.01	9,025	0.01
	(e)	Insurance Companies		56,59,719	6.16	56,59,719	6.16
	(f)	Provident Funds/ Pension Funds		-	-	-	-
	(g)	Asset Reconstruction Companies		-	-	-	-
	(h)	Sovereign Wealth Funds		3,50,391	0.38	3,50,391	0.38
	(i)	NBFCs registered with RBI		455	0.00	455	0.00
	(j)	Other Financial Institutions		-	-	-	-
	(k)	Any Other (Specify)		-	-	-	-
		Sub Total (B)(1)		1,70,55,648	18.56	1,70,55,648	18.56
(2)	Institutions (Foreign)				-		-

Sr	Name of Shareholder	Pre Arrangement		Post Arrangement	
(A)	Shareholding of Promoter and Promoter Group	No. of shares	%	No. of shares	%
	(a) Foreign Direct Investment	-	-	-	-
	(b) Foreign Venture Capital	-	-	-	-
	(c) Sovereign Wealth Funds	-	-	-	-
	(d) Foreign Portfolio Investors Category I	2,39,59,872	26.07	2,39,59,872	26.07
	(e) Foreign Portfolio Investors Category II	5,87,827	0.64	5,87,827	0.64
	(f) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-
	(g) Any Other (Specify)	-	-	-	-
	Sub Total (B)(2)	2,45,47,699	26.71	2,45,47,699	26.71
(3)	Central Government/State Government(s)/ President of India				
	(a) Central Government/ President of India	-	-	-	-
	(b) State Government/ Governor	-	-	-	-
	(c) Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	8,125	0.01	8,125	0.01
	Sub Total (B)(3)	8,125	0.01	8,125	0.01
(4)	Non-Institutions				
	(a) Associate companies / Subsidiaries	-	-	-	-
	(b) Directors and their relatives (excluding independent directors and nominee directors)	25,000	0.03	25,000	0.03
	(c) Key Managerial Personnel	5,096	0.01	5,096	0.01
	(d) Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-
	(e) Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-
	(f) Investor Education and Protection Fund (IEPF)	1,34,066	0.15	1,34,066	0.15
	(g) Resident Individuals holding nominal share capital up to Rs. 2 lakhs	1,15,03,362	12.51	1,15,03,362	12.51
	(h) Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	76,79,659	8.36	76,79,659	8.36
	(i) Non-Resident Indian	19,25,003	2.09	19,25,003	2.09
	(j) Foreign Nationals	62,232	0.07	62,232	0.07
	(k) Foreign Companies	21,000	0.02	21,000	0.02
	(l) Bodies Corporate	34,31,851	3.73	34,31,851	3.73

Sr	Name of Shareholder	Pre Arrangement		Post Arrangement	
(A)	Shareholding of Promoter and Promoter Group	No. of shares	%	No. of shares	%
	(m) Any Other	17,50,431	1.90	17,50,431	1.90
	Sub Total (B)(4)	2,65,37,700	28.87	2,65,37,700	28.87
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+B(4)	6,81,49,172	74.14	6,81,49,172	74.14
	Promoter & Promoter Group	2,37,67,542	25.86	2,37,67,542	25.86
	Public	6,81,49,172	74.14	6,81,49,172	74.14
	Grand Total (A) + (B)	9,19,16,714	100.00	9,19,16,714	100.00

- The expected pre and post Scheme shareholding pattern of the Second Applicant Company is as 30th June 2024 follows:

Sr	Description		Name of Shareholder	Pre Arrangement		Post Arrangement	
				No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group						
	1	Indian					
	(a)	Individuals/ Hindu Undivided Family					
	(b)	Central Government/ State Government(s)					
	(c)	Bodies Corporate	Tenshi Pharmaceuticals Private Limited	14,032	67.23	14,032	67.23
	(d)	Financial Institutions/ Banks					
	(e)	Any Others					
	Sub Total(A)(1)			14,032	67.23	14,032	67.23
	2	Foreign					
	(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)		-		-	
	(b)	Bodies Corporate		-		-	
	(c)	Institutions		-		-	
	(d)	Any Others		-		-	
	Sub Total(A)(2)						
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)			14,032	67.23	14,032	67.23
		(B)	Public shareholding				
	1	Institutions					
	(a)	Mutual Funds/ UTI		-		-	
	(b)	Financial Institutions / Banks		-		-	
	(c)	Central Government/ State Government(s)		-		-	

Sr	Description	Name of Shareholder	Pre Arrangement		Post Arrangement	
			No. of shares	%	No. of shares	%
	(d) Venture Capital Funds		-		-	
	(e) Insurance Companies		-		-	
	(f) Foreign Institutional Investors		-		-	
	(g) Foreign Venture Capital Investors		-		-	
	(h) Any Other		-		-	
	Sub-Total (B)(1)		-		-	
	2 Non-institutions					
	(a) Bodies Corporate	Medella Holdings Pte. Ltd.	5,190	24.87	5,190	24.87
	(b) Individuals					
	I Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh					
	II ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.		-		-	
	(c) Any Other					
	ESOP Pool and other commitments		1,649	7.90	1,649	7.90
	Sub-Total (B)(2)		6,839	32.77	6,839	32.77
	(B) Total Public Shareholding (B) = (B)(1) + (B)(2)		6,839	32.77	6,839	32.77
	TOTAL (A)+(B)		20,871	100	20,871	100
	(C) Shares held by Custodians and against which DRs have been issued		-	-	-	-
	GRAND TOTAL (A)+(B)+(C)		20,871	100	20,871	100

- The expected pre and post Scheme shareholding pattern of the Third Applicant Company is as on 30th June 2024 follows:

Sr	Description		Name of Shareholder	Pre Arrangement		Post Arrangement	
				No. of shares	%	No. of shares	%
1	Indian						
	Individuals/ Hindu Undivided Family	Names of Promoters/ Promoter Group					
		Arun Kumar Pillai				9,70,498	0.89
		Aditya Arun Kumar				29,211	0.03
		Anuradha K R					
		Hemalatha Pillai				33,380	0.03
		K R Lakshmi					
		K R Ravishankar					
		Padmakumar Karunakaran Pillai				93,243	0.09
		Rajitha Gopalakrishnan				30,000	0.03
		Sajitha Pillai				47,500	0.04
		Vineetha Mohanakumar Pillai				95,000	0.09
		Deepa Arun Kumar					
		Rajeswari Amma					
		Tarini Arun Kumar					
(b)	Central Government/ State Government(s)	Names					
		-					
(c)	Bodies Corporate	Tenshi Pharmaceuticals Private Limited	55,22,715	13.13	2,11,24,185	19.46	
		Ambemata Securities					
		Shasun Enterprises LLP					
		Pronomz Ventures LLP			78,94,782	7.27	
		Karuna Business Solutions LLP	66,13,370	15.72	82,25,895	7.58	
		Araganya Private Trust (Trustee: Barclays Wealth Trustees (I) Pvt Ltd)					
		Abusha Investment & Management Services LLP					
		Agnus Capital LLP					
		Agnus Holdings Pvt Limited					
		Chayadeep Properties Private Limited					

Sr	Description	Name of Shareholder	Pre Arrangement		Post Arrangement	
			No. of shares	%	No. of shares	%
		Arco Lab Private Limited			18,39,900	1.70
		Karuna Ventures Private Limited				
		Shasun Leasing and Finance (P) Limited				
		Triumph Venture Holdings LLP				
	(d) Financial Institutions/ Banks	-				
	(e) Any Others	-				
	Sub Total(A)(1)		1,21,36,085	28.86	4,03,83,594	37.21
	2 Foreign					
	(a) Individuals (Non-Residents Individuals/ Foreign Individuals)					
	(b) Bodies Corporate	-				
	(c) Institutions	-				
	(d) Any Others	-				
	Sub Total(A)(2)	-				
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		1,21,36,085	28.86	4,03,83,594	37.21
	(B) Public shareholding					
	1 Institutions					
	(a) Mutual Funds/ UTI				48,27,376	4.45
	(b) Financial Institutions / Banks				4,513	0.00
	(c) Central Government/ State Government(s)					
	(d) Venture Capital Funds					
	(e) Insurance Companies				28,29,860	2.61
	(f) Foreign Institutional Investors					
	(g) Foreign Venture Capital Investors					
	(h) Any Other					
	Foreign Direct Investments		33,55,590	7.98	3,355,590	3.09
	NBFC				228	0.00
	Alternative Investment Funds				6,90,653	0.64
	Sovereign Wealth Fund				1,75,196	0.16
	Foreign Portfolio Investors Category - I				1,19,79,936	11.04
	Foreign Portfolio Investors Category - II				2,93,914	0.27

Sr	Description		Name of Shareholder	Pre Arrangement		Post Arrangement	
				No. of shares	%	No. of shares	%
		Shareholding by Companies or Bodies Corporate where the Central/State Government is a promoter				4,063	0.00
		Sub-Total (B)(1)		33,55,590	7.98	2,41,61,329	22.26
2		Non-institutions					
(a)		Bodies Corporate		1,29,29,220	30.74	20,97,844	1.93
(b)		Individuals					
I		Individuals - Individual shareholders holding nominal share capital up to Rs 2 lakh		4,86,030	1.16	63,05,629	5.81
II		Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.				1,01,24,636	9.33
(c)		Any Other					
		Investor Education and Protection Fund (IEPF)				67,033	0.06
		Non-Resident Indian				9,62,502	0.89
		Foreign Nationals				31,116	0.03
		Foreign Companies		1,15,21,095	27.39	1,93,94,445	17.87
		Directors, KMPs and their relatives (excluding independent directors and nominee directors)				15048	0.01
		Clearing Members					
		HUF		11,18,490	2.66	11,18,490	1.03
		Non-Resident Indian Non-Repatriable					
		Trusts					
		ESOP Pool and Other commitment		5,10,144	1.21	30,08,379	2.77
		Any Other				8,75,216	0.81
		Sub-Total (B)(2)		2,65,64,979	63.16	4,40,00,338	40.48
(B)		Total Public Shareholding (B)= (B) (1)+(B)(2)		2,99,20,569	71.14	6,81,61,667	62.74
		TOTAL (A)+(B)		4,20,56,654	100	10,85,45,256	100
(C)		Shares held by Custodians and against which DRs have been issued					
		GRAND TOTAL (A)+(B)+(C)		4,20,56,654	100	10,85,45,256	100

24. RELATIONSHIP BETWEEN THE COMPANIES

First Applicant Company, Second Applicant Company and Third Applicant Company have certain common promoters.

The third Applicant Company is an Associate Company of the First Applicant Company.

25. DETAILS OF THE BOARD MEETING APPROVING THE SCHEME OF ARRANGEMENT

The Board of Directors of the Applicant Companies have approved the proposed Scheme of Arrangement vide their respective Board Resolutions dated 25th September 2023 in the case of First Applicant Company, Second Applicant Company and Third Applicant Company, after taking on record the fair Share Entitlement Ratio Report dated 25th September 2023, issued by registered valuer, PwC Business Consulting Services LLP (IBBI Registration No – IBBI/RV-E/02/2022/158).

Names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in such resolutions are as follows:

A. Strides Pharma Science Limited:

S. No.	Name of the Director (Attended Meeting)	Voted in Favour/ Against/ Abstained from voting
1.	Bharat Dhirajlal Shah	In Favour
2.	Arun Kumar Pillai	In Favour
3.	Kausalya Santhanam	In Favour
4.	Homi Rustam Khusrokhan	In Favour
5.	Badree Komandur	In Favour
6.	Srinivasan Sridhar	In Favour

B. Steriscience Specialties Private Limited:

S. No.	Name of the Director (Attended Meeting)	Voted in Favour/ Against/ Abstained from voting
1.	Neeraj Sharma	In Favour
2.	Mahadevan Narayanamoni	In Favour
3.	Aditya Arun Kumar	In Favour
4.	Chandrappa Seetharamaiah	In Favour
5.	Tarun Kumar Singh	In Favour

C. Onesource Specialty Pharma Limited

S. No.	Name of the Director (Attended Meeting)	Voted in Favour/ Against/ Abstained from voting
1.	Pudhucode Radhakrishnan Kannan	In Favour
2.	Mahadevan Narayanamoni	In Favour
4.	Gopakumar Gopalan Nair	In Favour
5.	Rajashri Santosh Kumar Ojha	In Favour

8. Rationale and Benefits of the Scheme of Arrangement

The Board of Directors of the Companies involved in the Scheme are intending to build a one-of-a-kind specialty pharmaceutical Contract Development and Manufacturing (“CDMO”) powerhouse with capabilities in biologics, oral soft gels, complex injectables, sterile injectables, including other complex drug delivery systems. In this regard, it is proposed to combine the Identified CDMO Business and Soft Gelatin Business of Strides (as defined in clause 1.11 of the Scheme) and the Identified CDMO Business of Steriscience (as defined in clause 1.12 of the Scheme) under Onesource. The new platform will be able to offer development and manufacturing services covering platform technologies, specialty injectables, complex generics, biosimilars, and biologics. The proposed Scheme would inter alia have the following benefits:

1. The consolidation of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, with Onesource, will result in integration synergies and enable better supervision of the business.
2. The consolidation will allow the management to devise, implement and pursue independent business strategies for the contract development and manufacturing business which will enable a wider scope for independent collaboration, investment opportunities and expansion.
3. The consolidation will enhance business potential and result in an increased capability to offer a wider portfolio of products with a diversified resource base and deeper client relationships.
4. The consolidation would result in efficient utilisation of the infrastructure facilities and optimum utilisation of the available resources.
5. Further, the synergies arising out of the consolidation will lead to enhancement of net worth of the combined business and enhancement in earnings and cash flow would optimize the value of the Onesource and consequently enhance the shareholder's value.
6. The consolidation will create and enhance stakeholder's value by unlocking the intrinsic value of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, on listing of shares of Onesource.
7. Moreover, the Scheme is expected to increase the long-term value for the shareholders of all the Companies and other stakeholders.

9. The salient features of the Scheme are as follows:

PART I - DEFINITIONS, SHARE CAPITAL AND DATE OF OPERATION OF SCHEME

1. Definitions

- 1.2 *"Appointed Date" means 01st April 2024, or such other date, as may be fixed or approved by Hon'ble National Company Law Tribunal or such other competent authority/Appropriate Authority;*
- 1.9 *"Effective Date" in relation to the Scheme, means the last of the dates on which certified copies of the order of the NCLT sanctioning the Scheme are filed by the Companies with the jurisdictional Registrar of Companies. References in this Scheme to the date of "coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of this Scheme" or "Scheme becomes effective" shall mean the Effective Date;*
- 1.23 *"Scheme" or "the Scheme" or "this Scheme" or "Scheme of Arrangement" means this Scheme of Arrangement, in its present form, submitted to the NCLT or with any modification(s) made under Clause 33 of this Scheme or with such other modifications/amendments as the NCLT may direct;*

Part II – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 1 OF THE TRANSFEROR COMPANY 1 INTO THE TRANSFEREE COMPANY

6. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

- 6.1 *Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Demerged Undertaking 1 shall, without any further act, instrument or deed, be transferred to, and be vested in or be deemed to have been transferred to and vested in Transferee Company, as a going concern, so as to become on and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, permits, records, etc. of Transferee Company by virtue of operation of law and in the manner provided in this Scheme.*
- 6.2 *In respect of such of the assets and properties forming part of the Demerged Undertaking 1 which are movable in nature (including but not limited to all intangible assets and intellectual properties) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Transferor Company*

1 to Transferee Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of Transferee Company without requiring any deed or instrument of conveyance for transfer of the same.

- 6.3 Subject to clause 6.4 below, with respect to the assets of the Demerged Undertaking 1 other than those referred to in clause 6.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company 1, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of Transferee Company. With regard to the licenses of the properties, Transferee Company will enter into novation agreements, if it is so required.
- 6.4 In respect of such of the assets and properties forming part of the Demerged Undertaking 1 which are immovable in nature, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, same shall stand transferred to and be vested in Transferee Company with effect from the Appointed Date, without any act or deed done by the Transferor Company 1 or Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company 1 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 6.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 1 in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in Transferee Company, if Transferee Company so decides, the Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 6.6 Upon the Scheme coming into effect and with effect from the Appointed Date, all rights entitlements, licenses, applications and registrations relating to copyrights, trademarks, service marks, brand names, logos, patents and other intellectual property rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relating to the Demerged Undertaking 1, to which either the Transferor Company 1 is a party or to the benefit of which the Transferor Company 1 may be / was eligible or entitled, shall become the rights, entitlement or property of Transferee Company and shall be enforceable by or against Transferee Company, as fully and effectually as if, instead of the Transferor Company 1, Transferee Company had been a party or beneficiary or obligee thereto or the holder or owner thereof.
- 6.7 Upon effectiveness of the Scheme,
- a. The Transferor Company 1 may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit relating to the Demerged Undertaking 1 stands transferred to and vested in Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes.

- b. *all liabilities relating to and comprised in the Demerged Undertaking 1 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 1 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations of Demerged Undertaking 1, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, without any further act, instrument, deed, matter or thing.*
- c. *If the Transferor Company 1 is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes (including production linked incentive schemes) and policies or concessions relating to the Demerged Undertaking 1 under any Tax Law or Applicable Law, Transferee Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Transferor Company 1, the portion which will be attributed to the Demerged Undertaking 1 and be transferred to Transferee Company shall be determined by the Board of the Transferor Company 1 in accordance with the Applicable Law.*
- d. *Subject to clause 27 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 1, the Transferor Company 1 shall, if so required by Transferee Company, issue notices in such form as Transferee Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company 1 to recover or realise the same stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.*
- e. *On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Transferee Company and are in relation to or in connection with the Demerged Undertaking 1, shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company, if and when presented by Transferee Company.*
- f. *The Transferee Company shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any Law or otherwise execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking 1 to which the Transferor Company 1 has been a party, in order to give formal effect to the above provisions.*
- g. *Upon the Scheme coming into effect on the Effective Date and with effect from Appointed Date, in relation to the assets forming part of the Demerged Undertaking 1, if any, separate documents are required for vesting of such assets in the Transferee Company, or which the Transferor Company 1 and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company 1 and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.*
- h. *It is hereby clarified that if any assets of the Demerged Undertaking 1, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 1 shall hold such asset in trust for the benefit of the Transferee Company and the Parties will thereafter mutually agree to the mechanism for transfer of such assets as per applicable law.*

Part III – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 2 OF THE TRANSFEROR COMPANY 2 INTO THE TRANSFEE COMPANY

15. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

- 15.1 *Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Demerged Undertaking*

2 shall, without any further act, instrument or deed, be transferred to, and be vested in or be deemed to have been transferred to and vested in Transferee Company, as a going concern, so as to become on an from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, permits, records, etc. of Transferee Company by virtue of operation of law and in the manner provided in this Scheme.

- 15.2 In respect of such of the assets and properties forming part of the Demerged Undertaking 2 which are movable in nature (including but not limited to all intangible assets and intellectual properties) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Transferor Company 2 to Transferee Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of Transferee Company without requiring any deed or instrument of conveyance for transfer of the same.*
- 15.3 Subject to clause 15.4 below, with respect to the assets of the Demerged Undertaking 2 other than those referred to in clause 15.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company 2, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of Transferee Company. With regard to the licenses of the properties, Transferee Company will enter into novation agreements, if it is so required.*
- 15.4 In respect of such of the assets and properties forming part of the Demerged Undertaking 2 which are immovable in nature, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, same shall stand transferred to and be vested in Transferee Company with effect from the Appointed Date, without any act or deed done by the Transferor Company 2 or Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company 2 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.*
- 15.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 2 in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in Transferee Company, if Transferee Company so decides, the Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.*
- 15.6 Upon the Scheme coming into effect and with effect from the Appointed Date, all rights entitlements, licenses, applications and registrations relating to copyrights, trademarks, service marks, brand names, logos, patents and other intellectual property rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relating to the Demerged Undertaking 2, to which either the Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be / was eligible or entitled, shall become the rights, entitlement or property of Transferee Company and shall be enforceable by or against Transferee Company, as fully and effectually as if, instead of the Transferor Company 2, Transferee Company had been a party or beneficiary or obligee thereto or the holder or owner thereof.*

15.7 Upon effectiveness of the Scheme,

- a. *The Transferor Company 2 may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit relating to the Demerged Undertaking 2 stands transferred to and vested in Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes.*
- b. *all liabilities relating to and comprised in the Demerged Undertaking 2 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 2 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations of Demerged Undertaking 2, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, without any further act, instrument, deed, matter or thing.*
- c. *If the Transferor Company 2 is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes (including production linked incentive schemes) and policies or concessions relating to the Demerged Undertaking 2 under any Tax Law or Applicable Law, Transferee Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Transferor Company 2, the portion which will be attributed to the Demerged Undertaking 2 and be transferred to Transferee Company shall be determined by the Board of the Transferor Company 2 in accordance with the Applicable Law.*
- d. *Subject to clause 27 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 2, the Transferor Company 2 shall, if so required by Transferee Company, issue notices in such form as Transferee Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company 2 to recover or realise the same stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.*
- e. *On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Transferee Company and are in relation to or in connection with the Demerged Undertaking 2, shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company, if and when presented by Transferee Company.*
- f. *The Transferee Company shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any Law or otherwise execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking 2 to which the Transferor Company 2 has been a party, in order to give formal effect to the above provisions.*
- g. *Upon the Scheme coming into effect on the Effective Date and with effect from Appointed Date, in relation to the assets forming part of the Demerged Undertaking 2, if any, separate documents are required for vesting of such assets in the Transferee Company, or which the Transferor Company 2 and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company 2 and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.*
- h. *It is hereby clarified that if any assets of the Demerged Undertaking 2, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 2 shall hold such asset in trust for the benefit of the Transferee Company and thereafter the Parties shall mutually agree on the mechanism to transfer the same.*

Part IV – GENERAL TERMS AND CONDITIONS

28. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

In respect of respective Demerged Undertaking of Transferor Company 1 and Transferor Company 2

28.1 *With effect from the Appointed Date and upto and including the Effective Date.*

28.1.1. *The Transferor Company 1 and Transferor Company 2 shall carry on and be deemed to have carried on its business and activities relating to the respective Demerged Undertaking, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its business relating to the respective Demerged Undertaking, for and on the account of and in trust for the Transferee Company;*

28.1.2. *All the profits or income accruing or arising to, or expenditure or losses incurred by, the Transferor Company 1 and Transferor Company 2, relating to the respective Demerged Undertaking, shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and*

28.1.3. *The Transferor Company 1 and Transferor Company 2, shall carry on their business and activities relating to the respective Demerged Undertaking with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof relating to the respective Demerged Undertaking except in the ordinary course of business without the prior consent of the Transferee Company.*

28.1.4. *All taxes (including income tax, CST, Customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company 1 and Transferor Company 2 in respect of the operations and / or the profits of the business relating to the respective Demerged Undertaking before the Appointed Date, shall be on account of the Transferor Company 1 and Transferor Company 2, respectively and, insofar as it relates to the tax payment (including, without limitation, income tax. GST.*

Customs duty, service tax, VAT, etc.) whether by way of deduction at source, advance tax or otherwise however, by the Transferor Company 1 and Transferor Company 2 in respect of the profits or activities or operations of its business relating to the respective Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

28.1.5. *Any of the rights, powers, authorities or privileges attached, related or forming part of the respective Demerged Undertaking, exercised by Transferor Company 1 or Transferor Company 2 as the case may be. shall be deemed to have been exercised by Transferor Company 1 and Transferor Company 2. respectively. for and on behalf of. and in trust for and as an agent of Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the respective Demerged Undertaking that have been undertaken or discharged by Transferor Company 1 and Transferor Company 2 shall be deemed to have been undertaken/ discharged for and on behalf of Transferee Company.*

28.2 *The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferor Company 1 and Transferor Company 2 may require to carry on the business relating to the respective Demerged Undertaking.*

28.3 *For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follow:*

28.3.1. *With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) has been replaced with that of the Transferee Company. The Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged*

Undertaking) in the name of the Transferee Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

28.3.2. With effect from the Effective Date, the Transferee Company shall be entitled to use all packed/ labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closure, other publicity material, etc. lying unused with the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) or its vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company 1 and Transferor Company 2 are entitled to use under any statutes/ regulations, till such time as all such stock exhaust without making any amendment on those goods or materials.

28.3.3. With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of product, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) is transferred, recorded, effected and/or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of the respective Demerged Undertaking in the name and style of the respective Demerged Undertaking as carried on by the Transferor Company 1 and Transferor Company 2 and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company 1 and Transferor Company 2, respectively. Further, during such period, Transferee Company can procure or use or manufacture, all material and product including packed/ labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, other publicity material, etc. in the name and form/format of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking).

Part II – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 1 OF THE TRANSFEROR COMPANY 1 INTO THE TRANSFEE COMPANY

9. EMPLOYEES AND STAFF

- 9.1 Upon the Scheme becoming effective and with effect from the Effective Date, Transferee Company undertakes to engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking 1, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 1. Transferee Company undertakes to continue to abide by any agreement / settlement or arrangement entered into or deemed to have been entered into by the Transferor Company 1 with any of the aforesaid employees or union representing them. Transferee Company agrees that the services of all such employees of the Transferor Company 1 prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking 1 shall be decided by the Board of Directors of Transferor Company 1, and such decision shall be final and binding on all concerned Parties.*
- 9.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by Transferee Company*

and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authority, by Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 1.

Part III – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 2 OF THE TRANSFEROR COMPANY 2 INTO THE TRANSFEE COMPANY

18. EMPLOYEES AND STAFF

- 18.1 Upon the Scheme becoming effective and with effect from the Effective Date, Transferee Company undertakes to engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking 2, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 2. Transferee Company undertakes to continue to abide by any agreement / settlement or arrangement entered into or deemed to have been entered into by the Transferor Company 2 with any of the aforesaid employees or union representing them. Transferee Company agrees that the services of all such employees of the Transferor Company 2 prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking 2 shall be decided by the Board of Directors of Transferor Company 2, and such decision shall be final and binding on all concerned Parties.*
- 18.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authority, by Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 2.*

18.3 Employee Stock Options:

- 18.3.1 Upon the Scheme becoming effective, the Transferee Company shall formulate a new employee stock option plan in accordance with the provisions of Applicable Law ("Transferee Company New ESOP Plan"). The number of shares forming part of the Transferee Company New ESOP Plan shall be determined basis the Share Entitlement Ratio 2 as mentioned in clause 20 of this Scheme.*
- 18.3.2 The Transferor Company 2 will adopt an employees stock option plan prior to the filing of the Scheme with the NCLT, and the concerned employees of the Demerged Undertaking 2, who are covered by such employees stock option plan of the Transferor Company 2, will upon the transfer of their employment with the Transferee Company, be governed by the provisions of Transferee Company New ESOP Plan, on a continuity of services basis and therefore their grant, vesting period and exercise period will be reckoned from the date of adoption of the employees stock option plan by the Board of the Transferor Company 2.*
- 18.4 With effect from the date of filing of the Scheme with the NCLT and up to and including the Effective Date, neither the Transferor Company 2 nor the Transferee Company shall vary the terms and conditions of employment of any of the employees pertaining to the Demerged Undertaking 2 except in the ordinary course of business or without the prior consent of the Board of Directors of Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company 2.*

Part II – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 1 OF THE TRANSFEROR COMPANY 1 INTO THE TRANSFEEE COMPANY

11. CONSIDERATION

- 11.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Demerged Undertaking 1 of Transferor Company 1 with the Transferee Company pursuant to this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis, to each member of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Record Date 1, as follows:

Share Entitlement Ratio 1:

“1 (One) equity share of Transferee Company (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Transferor Company 1 (of INR 10/- each fully paid up).”

- 11.2 The equity shares to be issued and allotted pursuant to the demerger of the Demerged Undertaking 1 into the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 11.3 Subject to Applicable Laws, the equity shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository, in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the shares in terms of this Scheme. The shareholders of the Transferor Company 1 who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date 1 to enable it to issue the equity shares. However, if no such details have been provided to the Transferee Company by the shareholders holding shares in physical share certificates on or before the Record Date 1, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialized form to a person nominated by the Board of Transferee Company (“Nominated Person”) who shall hold these equity shares for the benefit of such shareholder. The equity shares of Transferee Company held by the Nominated Person for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Nominated Person, along with such other documents as may be required by the Nominated Person. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Nominated Person. All costs and expenses incurred in this respect shall be borne by Transferee Company.
- 11.4 For the purpose of the allotment of the shares, pursuant to this Scheme, in case any shareholder’s holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number. Such consolidated shares shall be issued to and held by the Trust (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, for the benefit of the respective shareholders of the Transferee Company to whom they belong (“Record Date 1 Shareholders”) for the specific purpose of selling such shares in the market at such price or prices and at such time or times, within a period of 90 days from the date of allotment of shares, as the Trust may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the nearest Rupee. It is clarified that any such distribution shall take place only on the sale of

all the fractional shares of the Transferee Company pertaining to the fractional entitlements. To the extent any Record Date 1 Shareholder requires any consents, approvals or waivers (including any governmental approvals under applicable law) to receive such consideration, such shareholder shall be liable to procure the same prior to any distributions being made by the Trust.

- 11.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 1, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 1, after the Scheme becoming effective.*
- 11.6 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 1 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.*
- 11.7 If necessary, the Transferee Company shall before allotment of the equity shares of Transferee Company in term of the Scheme, increase, reclassify, and/or restructure its authorised share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.*
- 11.8 In the event, any or all of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in clause 11.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.*
- 11.9 Upon the issuance and allotment of equity shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filing of the applications with Stock Exchange, for the purpose of listing of the equity shares of the Transferee Company on such recognized Stock Exchange, in accordance with the Applicable Laws.*
- 11.10 The shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.*
- 11.11 There shall be no change in the shareholding pattern or control in Transferee Company between the Record Date 1 and the listing which may affect the status of the approvals received from the Stock Exchange.*
- 11.12 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.*
- 11.13 The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 1 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.*
- 11.14 The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLT to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.*

Part III – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 2 OF THE TRANSFEROR COMPANY 2 INTO THE TRANSFeree COMPANY

20. CONSIDERATION

20.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Demerged Undertaking 2 of Transferor Company 2 with the Transferee Company pursuant to this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis, to each member of the Transferor Company 2, whose name is recorded in the register of members as member of the Transferor Company 2 as on the Record Date 2, as follows:

Share Entitlement Ratio 2:

“1,515 (One Thousand Five Hundred and Fifteen) equity shares of Transferee Company (of INR 1/- each fully paid up) for every 1 (One) equity shares of Transferor Company 2 (of INR 10/- each fully paid up).”

20.2 The equity shares to be issued and allotted pursuant to the demerger of the Demerged Undertaking 2 into the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.

20.3 Subject to Applicable Laws, the equity shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository, in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the shares in terms of this Scheme.

20.4 For the purpose of the allotment of the shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number. Such consolidated shares shall be issued to and held by the Trust (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, for the benefit of the respective shareholders of the Transferee Company to whom they belong (“Record Date 2 Shareholders”) for the specific purpose of selling such shares in the market at such price or prices and at such time or times, within a period of 90 days from the date of allotment of shares, as the trust may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the nearest Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements. To the extent any Record Date 2 Shareholder requires any consents, approvals or waivers (including any governmental approvals under applicable law) to receive such consideration, such shareholder shall be liable to procure the same prior to any distributions being made by the trust.

20.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 2, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 2, after the Scheme becoming effective.

- 20.6 *The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 2 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.*
- 20.7 *If necessary, the Transferee Company shall before allotment of the Equity Shares of Transferee Company in term of the Scheme, increase, reclassify, and/or restructure its authorised share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.*
- 20.8 *In the event, any or all of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in clause 20.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.*
- 20.9 *Upon the issuance and allotment of equity shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filling of the applications with Stock Exchange, for the purpose of listing of the equity shares of the Transferee Company on such recognized Stock Exchange, in accordance with the Applicable Laws.*
- 20.10 *The shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.*
- 20.11 *There shall be no change in the shareholding pattern or control in Transferee Company between the Record Date 2 and the listing which may affect the status of the approvals received from the Stock Exchange.*
- 20.12 *The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.*
- 20.13 *The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 2 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.*
- 20.14 *The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the Securities Act and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLT to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.*

Part IV – GENERAL TERMS AND CONDITIONS

25. Reduction of Share Capital of the Transferee Company

- 25.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the equity shares of the Transferee Company held by the Transferor Company I shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of the face value of such shares.*
- 25.2 *The reduction of the share capital of Transferee Company (as per clause 25.1 above) and adjustment against securities premium of Transferee Company (as per clause 13.1.2 above) shall be effected as an integral part of the Scheme, pursuant to the order of the NCLT sanctioning this Scheme. The order of the NCIT sanctioning this Scheme shall also include approval and confirmation of such reduction in the share capital and securities premium of the Transferee Company to the extent so required. Accordingly, as provided in the second Explanation in Section 230 of the Act, the provisions of Section 66 of the Act shall not apply to such reduction of share capital and securities premium of the Transferee Company, effected in pursuance of the said order of the NCLT. Notwithstanding the reduction in the share capital of the Transferee Company. the Transferee Company shall not be required to add “And reduced” as a suffix to its name.*

35. Scheme Conditional on Approvals / Sanctions

- 35.1 *The Scheme is conditional upon and subject to:*

- 35.1.1 *the approval of the Scheme by the requisite majority of various classes of the respective members and creditors and such class of persons of the Companies. as required in terms of the applicable provisions of the relevant Act;*
- 35.1.2 *the approval of the scheme by the shareholders of the Transferor Company 1 through e-voting and / or other mode as may be required under any Applicable Law and the SEBI circular. The scheme is conditional upon approval by the public shareholders of the Transferor Company 1 through e-voting in terms of para 10(b) of Part 1 of SEBI Circular and the Scheme shall be acted upon only if votes cast by the public shareholders of the Transferor Company 1 in favour of the proposal are more than the number of votes cast by the public shareholders of the Transferor Company 1 against it.*
- 35.1.3 *the sanction of the Tribunal, being obtained under Sections 230 to 232 and other applicable provisions of the Act. if so, required on behalf of the Companies.*
- 35.1.4 *the certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies;*
- 35.1.5 *approval of Appropriate Authorities (including Securities and Exchange Board of India) and receipt of No-Objection letter from Stock Exchange where such approval or consent is necessary: and*
- 35.1.6 *all other sanctions and approvals as may be required by law in respect of this Scheme being obtained, where such approval or consent is necessary.*

10. *The Salient features, as set out above, being only the salient features of the Scheme of Arrangement as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme of Arrangement (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Arrangement.*

26. BRIEF DETAILS OF THE SCHEME

S. No.	Particulars	Particulars
i.		<p>Strides Pharma Science Limited (“Strides” or “Transferor Company 1” or “Demerged Company 1”)</p> <p>And</p> <p>Steriscience Specialties Private Limited (“Steriscience” or “Transferor Company 2” or “Demerged Company 2”)</p> <p>And</p> <p>Onesource Specialty Pharma Limited (“Onesource” or “Transferee Company” or “Resulting Company”)</p> <p>And</p> <p>Their Respective Shareholders.</p> <p>Hereinafter, collectively referred to as ‘Participating Companies’ or ‘Applicant Companies’.</p>
ii.	Scheme of Arrangement	<p>The Scheme provides for Demerger of the identified CDMO and Soft Gelatin Business of Strides Pharma Science Limited and identified CDMO Business of Steriscience Specialties Private Limited into Onesource Specialty Pharma Limited; and their respective shareholders, pursuant to the provisions of Sections 230 – 232 and other applicable provisions of the Act, and rules made thereunder with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Tribunal and other relevant regulatory authorities, as may be required under the Act and under all other applicable laws.</p>
iii.	Appointed Date	<p>Means 01st April 2024 or such other date as the NCLT may direct for the purposes of this Scheme.</p>
iv.	Effective Date	<p>For the purpose of this Scheme shall mean the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the Registrar of Companies by the Companies. Any references in this Scheme to the “Upon the Scheme becoming effective” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.</p>

S. No.	Particulars	Particulars																																																	
v.	Fair Share Entitlement Ratio / Exchange Ratio for the purpose the Scheme, as provided by Fair Share Entitlement Ratio Report dated 25 th September 2023 obtained from registered Valuer, PwC Business Consulting Services LLP (IBBI Registration No – IBBI/RV-E/02/2022/158)	<p>Under Part-B of the Scheme: Demerger of Demerged Undertaking of the Demerged Company into the Resulting Company</p> <p><i>“1 (One) equity shares of Transferee Company/Resulting Company/Third Applicant Company for every 2 (Two) equity shares of the Transferor Company 1/Demerged Company 1/First Applicant Company (of INR 10/- each fully paid up)”</i></p> <p><i>“1,515 (One Thousand five Hundred and Fifteen) equity shares of Transferee Company/Resulting Company/Third Applicant Company for every 1 (One) equity shares of the Transferor Company 2/Demerged Company 2/Second Applicant Company (of INR 10/- each fully paid up)”</i></p>																																																	
vi.	<p>Summary of Valuation Report</p> <p>The Share Exchange Ratio for the scheme of arrangement has been fixed on a fair and reasonable basis and based on the Valuation Report dated 25th September 2023 issued by PwC Business Consulting Services LLP (IBBI Registration No – IBBI/RV-E/02/2022/158), a Registered Valuer. The copy of the Valuation Report issued by the valuer is enclosed as “Annexure H”.</p> <p>1. SHARE ENTITLEMENT RATIO 1</p> <p>The computation of the Fair Exchange Ratio (‘Share Entitlement Ratio 1’), for the Demerger of Identified CDMO Business and Soft Gelatin Business of the First Applicant Company into the Third Applicant Company as given below:</p> <table><tr><th rowspan="2"></th><th colspan="2">Third Applicant Company</th><th colspan="2">Identified CDMO Business and Soft Gelatin Business of First Applicant Company</th></tr><tr><th>Value per Share (INR)</th><th>Weight</th><th>Value per Share (INR)**</th><th>Weight</th></tr><tr><td>Asset Approach*</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr><tr><td>Income Approach</td><td>735</td><td>50%</td><td>349</td><td>50%</td></tr><tr><td>DCF Method</td><td></td><td></td><td></td><td></td></tr><tr><td>Market Approach</td><td>653</td><td>50%</td><td>349</td><td>50%</td></tr><tr><td>CCM Method</td><td></td><td></td><td></td><td></td></tr><tr><td>PRI Method</td><td></td><td></td><td></td><td></td></tr><tr><td>Relative Value per Share</td><td colspan="2">695</td><td colspan="2">349</td></tr><tr><td>Fair Equity Share Entitlement Ratio (rounded off)</td><td colspan="4">1:2</td></tr></table> <p>NA = Not Applicable/Applied</p> <p>*In the case of the Net Assets Value (NAV) Method, the value is determined by dividing the net assets of the company by the number of shares. The underlying asset approach represents the value with reference to the historical cost of the assets owned by a company and attached liabilities as at the valuation date. Since, the businesses of the Third Applicant Company and Identified CDMO Business and Soft Gelatin Business of the First Applicant Company are intended to be continued on a ‘going concern basis’ and there is no intention to dispose of the assets, therefore the Asset (Cost) Approach is not adopted for the Valuation exercise.</p>			Third Applicant Company		Identified CDMO Business and Soft Gelatin Business of First Applicant Company		Value per Share (INR)	Weight	Value per Share (INR)**	Weight	Asset Approach*	NA	NA	NA	NA	Income Approach	735	50%	349	50%	DCF Method					Market Approach	653	50%	349	50%	CCM Method					PRI Method					Relative Value per Share	695		349		Fair Equity Share Entitlement Ratio (rounded off)	1:2			
	Third Applicant Company			Identified CDMO Business and Soft Gelatin Business of First Applicant Company																																															
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Asset Approach*	NA	NA	NA	NA																																															
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Fair Equity Share Entitlement Ratio (rounded off)	1:2																																																		

S. No.	Particulars	Particulars
	<p>**Value of investment by First Applicant Company in Third Applicant Company, is based on the concluded per share value of Third Applicant Company and the number of shares in Third Applicant Company held by First Applicant Company; this has been aggregated with the per share value for the Identified CDMO Business and Soft Gelatin Business of First Applicant Company (excluding the investment in Third Applicant Company) as per the Income and Market approach, respectively.</p> <p>In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Entitlement Ratio 1, for the demerger of Identified CDMO Business and Soft Gelatin Business of First Applicant Company into Third Applicant Company as under:</p> <p><i>“1 (One) equity shares of Transferee Company/Resulting Company/Third Applicant Company for every 2 (Two) equity shares of the Transferor Company 1/Demergered Company 1/First Applicant Company (of INR 10/- each fully paid up)”</i></p> <p>BASIS OF SHARE ENTITLEMENT RATIO 1</p> <p>The basis of the demerger of Identified CDMO Business and Soft Gelatin Business of First Applicant Company into Third Applicant Company has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. It is important to note that we are not attempting to arrive at the absolute equity values of the Third Applicant Company and Identified CDMO Business and Soft Gelatin Business of the First Applicant Company, but at their relative values to facilitate the determination of share entitlement ratio 1.</p> <p>Therefore, appropriate weights are provided to values arrived at under the Income and Market Approach.</p> <p>Under the Market Approach, the Comparable Companies Multiple (CCM) method has been considered for the identified CDMO Business and Soft Gelatin Business and the PRI method for the Third Applicant Company.</p> <p>It maybe noted that the Market Price method and PRI method have not been considered for the valuation of the Identified CDMO Business and Soft Gelatin Business of First Applicant Company on account of the following – a) the traded share price of First Applicant Company reflects the value of First Applicant Company as a whole, and not the Identified CDMO Business and Soft Gelatin Business alone, b) since the identified CDMO Business and Soft Gelatin Business of First Applicant Company is a business segment within the First Applicant Company, PRI method is not relevant for the valuation. Further, while implied multiples of transactions in comparable companies, we have not relied on the Comparable Transactions Method (‘CTM’) considering the following - a) limited number of comparable companies for which relevant information to derive multiples is available in the public domain; b) significant dispersion amongst their implied multiples; and c) paucity of data pertaining to historical growth rates, forward revenues, margins, etc. of the target companies in the public domain.</p>	
	<p>Further, considering the early stage of operations for the CDMO business, with a significant scale up in revenues expected going forward, there are no listed companies or transactions in companies strictly comparable to the Third Applicant Company; accordingly, CCM / CTM Method has not been considered for valuation of Third Applicant Company. The Market Price method would not be relevant for the valuation of the Third Applicant Company as it is privately held as on the date of the report.</p>	

S. No.	Particulars	Particulars			
	Entitlement Ratio 1 has been arrived at on the basis of relative equity valuation (on a per share basis) of the Third Applicant Company and Identified CDMO Business and Soft Gelatin Business of the First Applicant Company based on the various methodologies explained herein earlier and various quantitative factors relevant to each business and the business dynamics and growth potential of the businesses, having regard to the information base, key underlying assumptions and limitations.				
	2. SHARE ENTITLEMENT RATIO 2				
	The computation of the Fair Exchange Ratio (‘Share Entitlement Ratio 2’), for the Demerger of Identified CDMO Business of the Second Applicant Company into the Third Applicant Company as given below:				
	Valuation Approach	Third Applicant Company		Identified CDMO Business of Second Applicant Company	
		Value per Share (INR)	Weight	Value per Share (INR)**	Weight
	Asset Approach*	NA	NA	NA	NA
	Income Approach DCF Method	735	50%	1,000,242	50%
	Market Approach CCM Method PRI Method	653	50%	1,103,907	50%
	Relative Value per Share	695		1,052,075	
	Fair Equity Share Entitlement Ratio (rounded off)	1,515:1			
	NA = Not Applicable/Applied				
	*In the case of the Net Assets Value (NAV) Method, the value is determined by dividing the net assets of the company by the number of shares. The underlying asset approach represents the value with reference to the historical cost of the assets owned by a company and attached liabilities as at the valuation date. Since, the businesses of the Third Applicant Company and Identified CDMO Business of the Second Applicant Company are intended to be continued on a ‘going concern basis’ and there is no intention to dispose of the assets, therefore the Asset (Cost) Approach is not adopted for the Valuation exercise.				
	In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend Share Entitlement Ratio 2, for the demerger of Identified CDMO Business of the Second				
	Applicant Company as under:				
	“1,515 (One Thousand five Hundred and Fifteen) equity shares of Transferee Company/Resulting Company/Third Applicant Company for every 1 (One) equity shares of the Transferor Company 2/ Demerged Company 2/Second Applicant Company (of INR 10/- each fully paid up)”				

S. No.	Particulars	Particulars
	<p>BASIS OF SHARE ENTITLEMENT RATIO 2</p> <p>The basis of the demerger of Identified CDMO Business and Soft Gelatin Business of First Applicant Company into Third Applicant Company has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. It is important to note that we are not attempting to arrive at the absolute equity values of the Third Applicant Company and Identified CDMO Business and Soft Gelatin Business of the First Applicant Company, but at their relative values to facilitate the determination of share entitlement ratio 2.</p> <p>Therefore, appropriate weights are provided to values arrived at under the Income and Market Approach.</p> <p>Under the Market Approach, the Comparable Companies Multiple (CCM) method has been considered for the identified CDMO Business the PRI method for the Third Applicant Company.</p> <p>It may be noted that since the Identified CDMO Business of Second Applicant Company is a business segment within the Second Applicant Company, PRI method is not relevant for the valuation. Further, while implied multiples of transactions in comparable companies, we have not relied on the Comparable Transactions Method ('CTM') for the valuation of Identified CDMO Business of the Second Applicant Company, considering the following - a) limited number of comparable companies for which relevant information to derive multiples is available in the public domain; b) significant dispersion amongst their implied multiples; and c) paucity of data pertaining to historical growth rates, forward revenues, margins, etc. of the target companies in the public domain.</p> <p>Entitlement Ratio 2 has been arrived at on the basis of relative equity valuation (on a per share basis) of the Third Applicant Company and Identified CDMO Business of the Second Applicant Company based on the various methodologies explained herein earlier and various quantitative factors relevant to each business and the business dynamics and growth potential of the businesses, having regard to the information base, key underlying assumptions and limitations.</p> <p>3. Both Share Entitlement Ratio 1 and Share Entitlement Ratio 2 are in accordance with the International Valuation Standards.</p> <p>4. Further, the details of the valuation form part of the Share Entitlement Ratio Report dated 25th September 2023.</p> <p>5. Based on the aforesaid, the Board of Directors of the Second Applicant Company have concluded that the Share Exchange Ratio provided in the Valuation Reports is fair and reasonable and has approved the same at its meeting held on 25th September 2023.</p> <p>6. The fair Share Entitlement Ratio Report is available for inspection at the registered office of the Second Applicant Company.</p> <p>A copy of the Valuation Report Issued by the Valuer is enclosed herewith as Annexure __.</p>	
vii.	Details of Capital or debt restructuring, if any	Not Applicable

S. No.	Particulars	Particulars
viii.	Rationale of the Scheme or the benefits of the Scheme as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others	<p>The Board of Directors of the Companies involved in the Scheme are intending to build a one-of-a-kind specialty pharmaceutical Contract Development and Manufacturing ('CDMO') powerhouse with capabilities in biologics, oral soft gels, complex injectables, sterile injectables, including other complex drug delivery systems. In this regard, it is proposed to combine the Identified CDMO Business and Soft Gelatin Business of Strides (as defined in clause 1.11) and the Identified CDMO Business of Steriscience (as defined in clause 1.12) under Onesource. The new platform will be able to offer development and manufacturing services covering platform technologies, specialty injectables, complex generics, biosimilars, and biologics.</p> <p>The proposed Scheme would inter alia have the following benefits:</p> <ol style="list-style-type: none"> 1. The consolidation of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, with Onesource, will result in integration synergies and enable better supervision of the business. 2. The consolidation will allow the management to devise, implement and pursue independent business strategies for the contract development and manufacturing business which will enable a wider scope for independent collaboration, investment opportunities and expansion. 3. The consolidation will enhance business potential and result in an increased capability to offer a wider portfolio of products with a diversified resource base and deeper client relationships. 4. The consolidation would result in efficient utilisation of the infrastructure facilities and optimum utilisation of the available resources. 5. Further, the synergies arising out of the consolidation will lead to enhancement of the net worth of the combined business and enhancement in earnings and cash flow would optimize the value of Onesource and consequently enhance the shareholder's value. 6. The consolidation will create and enhance stakeholder's value by unlocking the intrinsic value of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, on the listing of shares of Onesource. 7. Moreover, the Scheme is expected to increase the long-term value for the shareholders of all the Companies and other stakeholders.
ix.	Amount due to Secured Creditors as on July 31, 2024	<p>First Applicant Company: INR 1514,11,86,244/-</p> <p>Second Applicant Company: INR 4,59,88,24,307</p> <p>Third Applicant Company: INR 5,19,47,32,193</p>
x.	Amount due to Unsecured Creditors as on July 31, 2024	<p>First Applicant Company: INR 4,54,63,06,661</p> <p>Second Applicant Company: INR 62,81,37,409/-</p> <p>Third Applicant Company: INR 1,87,71,90,413</p>

27. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs), THEIR RELATIVES AND DEBENTURE TRUSTEE ON THE SCHEME OF ARRANGEMENT.

The directors of the Strides Pharma Science Limited (Transferor Company 1 / Demerged Company 1 / First Applicant Company), Steriscience Specialties Private Limited (Transferor Company 2 / Demerged Company 2 / Second Applicant Company) and Onesource Specialty Pharma Limited (Transferee Company / Resulting Company / Third Applicant Company) may be deemed to be concerned and/or interested in the Scheme to the extent of their shareholding and directorship that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in the First Applicant Company, Second Applicant Company and Third Applicant Company. However, Mr. Arun Kumar Pillai is common director in First Applicant Company and Third Applicant Company and Mr. Aditya Arun Kumar is common director in First Applicant Company and Second Applicant Company. Mr. Mahadevan Narayanamoni and Mr. Bhushan Bopardikar are common Directors in 2nd Applicant Company and 3rd applicant Company.

None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of the First Applicant Company, Second Applicant Company and Third Applicant Company, have any material, financial or other interest, in the Scheme, except as shareholders to the extent of their respective shareholding and directorship appearing in the Register of Directors, Register of Directors' shareholding and Register of Members maintained by the First Applicant Company, Second Applicant Company and Third Applicant Company respectively.

As on date, the Second Applicant Company have not issued any debentures and hence, no debenture trustees have been appointed. In the case of the First and Third Applicant Company, the debenture trustee (for the debentures issued by the First and Third Applicant Company) has no interest in the scheme.

The shareholding of Directors, Key Managerial Personnel in the Applicant Companies given below:

A. Strides Pharma Science Limited ('First Applicant Company'):

S . No.	Name of KMPs/Relatives of KMPs	Designation/ Status	Shares (%) held in		
			First Applicant Company	Second Applicant Company	Third Applicant Company
1.	Arun Kumar Pillai	Director	2.11%	0%	0%
2.	Kausalya Santhanam	Independent Director	0%	0%	0%
3.	Homi Rustam Khusrokhan	Independent Director	0%	0%	0%
4.	Badree Komandur	Managing Director	0.03%	0%	0%
5.	Srinivasan Sridhar	Independent Director	0.05%	0%	0%
6.	Subir Chakraborty	Additional Director	0%	0%	0%
7.	Aditya Arun Kumar	Additional Director	0.06%	0%	0%
8.	Vikesh Kumar	KMP	0%	0%	0%
9.	Ameet Pratapsinh Hariani	Independent Director	0%	0%	0%
10.	Manjula Ramamurthy	KMP	0%	0%	0%

B. Steriscience Specialties Private Limited ('Second Applicant Company'):

S. No.	Name of KMPs/Relatives of KMPs	Designation/ Status	Shares (%) held in		
			First Applicant Company	Second Applicant Company	Third Applicant Company
1.	Neeraj Sharma	Director	0%	0%	0%
2.	Mahadevan Narayanamoni	Director	0%	0%	0%
3.	Aditya Arun Kumar	Director	0.06%	0%	0%
4.	Chandrappa Seetharamaiah	Director	0%	0%	0%
5.	Bhushan Sudhir Bopardikar	Additional Director	0%	0%	0%
6.	Chitiz Saraogi	Additional Director	0%	0%	0%

C. Onesource Specialty Pharma Limited ('Third Applicant Company')

S. No.	Name of KMPs/Relatives of KMPs	Designation/ Status	Shares (%) held in		
			First Applicant Company	Second Applicant Company	Third Applicant Company
1.	Arun Kumar Pillai	Director	2.11%	0%	0%
2.	Mahadevan Narayanamoni	Director	0%	0%	0%
3.	Neeraj Sharma	Managing Director	0%	0%	0%
4.	Bhushan Sudhir Bopardikar	Director	0%	0%	0%
5.	Gopakumar Gopalan Nair	Director	0%	0%	0%
6.	Rajashri Santosh Kumar Ojha	Director	0%	0%	0%
7.	Rashmi Harshadrai Barbhaiya	Additional Director	0%	0%	0%
8.	Allada Trisha	Company Secretary & Compliance Officer and KMP	0%	0%	0%

28. DISCLOSURE ABOUT THE EFFECT OF THE COMPROMISE OR ARRANGEMENT ON:

a.	Key Managerial Personnel / Directors	<p>The proposed Scheme of Arrangement may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in the First Applicant Company, Second Applicant Company and Third Applicant Company. However, Mr. Arun Kumar Pillai is common director in First Applicant Company and Third Applicant Company and Mr. Aditya Arun Kumar is common director in First Applicant Company and Second Applicant Company. Mr. Mahadevan Narayanamoni and Mr. Bhushan Bopardikar are common Directors in 2nd Applicant Company and 3rd applicant Company</p> <p>Further, none of the KMPs have any interest in the Scheme except to the extent of shares and directorship held by them, if any, in the respective Applicant Companies.</p>
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c.	Promoters / Non - Promoters members	There is no adverse impact of the Scheme on any of the Promoter or Non-promoter Shareholders of the Applicant Companies. Further, none of the Shareholders have any interest in the Scheme except to the extent of shares held by them in the respective Applicant Companies. The Promoters of the First and Second Applicant Company shall be issued shares of the Third Applicant Company as per terms and conditions, detailed in the Scheme of Arrangement.
d.	Creditors	All the liabilities and dues payable pertaining to the Demerged Undertaking of the First Applicant Company / Demerged Company 1 and Second Applicant Company / Demerged Company 2 shall become the liabilities and dues payable of/ by the Third Applicant Company / Resulting Company.
e.	Depositors	As on date, the Demerged Company 1, the Demerged Company 2 and the Resulting Company have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee(s) does not arise.
f.	Debenture Holders	Non- Convertible debentures have been issued and allotted by the First and Third Applicant Company and there is no effect of the Scheme on any such debenture holders.
g.	Deposit trustee and debenture trustee	As on date, the Demerged Company and the Resulting Company have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee(s) does not arise. Non- Convertible debentures have been issued and allotted by the First and Third Applicant Company and there is no effect of the Scheme on any such debenture trustees..
h.	Employees of the Company	All the staff, workmen and other employees pertaining to the Demerged Undertaking of the First Applicant Company and the Second Applicant Company immediately before the transfer of said Undertaking under the Scheme of Arrangement shall become the staff, workmen and employees of the Third Applicant Company as per the details mentioned in the Scheme of Arrangement.

29. DETAILS OF APPROVALS, SANCTIONS OR NO-OBJECTION(S), IF ANY, FROM REGULATORY OR ANY OTHER GOVERNMENTAL AUTHORITIES REQUIRED, RECEIVED OR PENDING FOR THE PROPOSED SCHEME OF COMPROMISE OR ARRANGEMENT

The First Applicant Company has received observation letters dated 21st May 2024 and 21st May 2024 from BSE and NSE, respectively. The Scheme is subject to approval from jurisdictional NCLT. The copy of the Observation letters received from BSE and NSE are enclosed herewith as Annexure __ and __ respectively. Further, notice under Section 230(5) of the Companies Act, 2013 is being submitted with the Regional Director, Registrar of Companies and Income Tax Authorities in respect of all the Applicant Companies.

30. STATEMENT TO THE EFFECT THAT THE PERSONS TO WHOM THE NOTICE IS SENT MAY VOTE IN THE MEETING BY VOTING THROUGH ELECTRONIC MEANS

As per the directions of the Tribunal and discretion exercised by the Chairperson in consultation with the counsel of the Third Applicant Company, the meeting is proposed to be held through VC / OAVM with the facility of e-voting.

Secured Creditors of the Third Applicant Company as on Cut-off Date shall vote through the e-voting system during the meeting

31. INVESTIGATION OR PROCEEDINGS, IF ANY, PENDING AGAINST THE COMPANY, ITS PROMOTERS AND ANY DIRECTORS UNDER THE ACT

No investigation or proceedings have been instituted or are pending under Chapter XIV of the Companies Act, 2013 or erstwhile provisions of the Companies Act, 1956 against any of the Applicant Companies.

32. GENERAL DISCLOSURES

a) Fairness Opinion dated 25th September 2023, on the Valuation Report of PwC Business Consulting Services LLP, was obtained from Jefferies India Private Limited for First Applicant Company. The copy of the Fairness Opinion issued by Jefferies India Private Limited is enclosed herewith as **Annexure I**.

b) The Auditor of the First Applicant Company, Second Applicant Company and Third Applicant Company have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

c) The proposed Scheme was placed before the Audit Committee of the Third Applicant Company at its meeting held on 25th September 2023. The Audit committee recommended and approved the proposed Scheme after considering the Valuation Report of PwC Business Consulting Services LLP and the Fairness Opinion of Jefferies India Private Limited.

d) The Board of Directors of the Third Applicant Company have at its Board Meeting held on 25th September 2023 approved the Scheme based on the recommendation of the Audit Committee, Valuation Report of the Valuer recommending the Share Exchange Ratio, in which the equity shares of the Third Applicant Company should be issued to the shareholders of First Applicant Company and Second Applicant Company and the Fairness Opinion of Jefferies India Private Limited.

e) The copies of the said Valuation Report of the Valuer, Fairness Opinion and other documents submitted to the Stock Exchange are also displayed on the website of the Third Applicant Company at <https://www.stelis.com/>, the website of BSE Limited and the National Stock Exchange of India Limited, the designated stock exchanges where the shares of the First Applicant Company are listed, in terms of the Securities and Exchange Board of India circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.

f) Pursuant to the Securities and Exchange Board ("SEBI") circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the "SEBI Circular") read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') the First Applicant Company had applied to BSE Limited and the National Stock Exchange of India Limited (NSE) for seeking their No objection to the proposed Scheme of Arrangement. Further, National Stock Exchange Limited (NSE), the Designated Stock Exchange forwarded the said application along with the Draft Scheme to SEBI for its approval & / or comments. BSE Limited and NSE Limited gave its Observation letter on 21st May 2024, conveying "No Adverse Observations/No Objection", respectively, for the scheme, which is enclosed herewith as Annexure C and **Annexure D**, respectively.

g) The Scheme of Arrangement, along with related documents, were hosted on the websites of the First Applicant Company, BSE Limited & the National Stock Exchange of India Limited (NSE) and were open for complaints/ comments from 16th October 2023 to 6th November 2023 on National Stock Exchange of India Limited and from 5th October 2023 to 26th October 2023 on BSE for a period of 21 days. During the above period, the First Applicant Company has received "nil" complaints / comments and accordingly the complaints report was filed with BSE Limited and National Stock Exchange of India Limited on 31st October 2023 and 9th November 2023, respectively. A copy of the said Complaints Report filed with BSE Limited and the National Stock Exchange of India Limited (NSE) is enclosed as **Annexure E** and **Annexure F**, respectively.

h) A copy of the Audited Financial Results of Strides Pharma Science Limited as on 31st March, 2024 together with the Audited Financial Results of Steriscience Specialties Private Limited as on 31st March 2023, Provisional Financial Results of Steriscience Specialties Private Limited as on 31st March 2024 and Audited Financial Results of Onesource Specialty Pharma Limited as on 31st March, 2024. are enclosed herewith as **Annexure B1, B2, B3 and B4**.

- i) The Applicant Companies will make/file a petition under Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Hon'ble National Company Law Tribunal, Mumbai Bench, for sanctioning of the Scheme.
- j) Under Section 230 of the Companies Act, 2013, the proposed Scheme will have to be approved by a majority in number representing three-fourths in value of the Secured Creditors present and voting.
- k) The scheme is conditional upon the scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- l) The rights and interests of the members and the creditors of the Third Applicant Company will not be prejudicially affected by this Scheme of Arrangement.
- m) A copy of the Scheme has been filed by the Third Applicant Company with the Registrar of Companies (ROC), Maharashtra, Mumbai, on August 02, 2024.
- n) No winding up petition is pending against the Applicant Companies.
- o) In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Companies, vide a resolution dated 25th September 2023, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel.
- p) A copy of the said Report adopted by the Board of Directors of the First Applicant Company, Second Applicant Company and Third Applicant Company is enclosed to this Explanatory Statement as **Annexure G1, G2 and JG** respectively.

33. DETAILS ON EXPECTED DEBT STRUCTURE

Details of Debt	Pre-Arrangement	Post Arrangement
Long Term Debt	2,716	3,712
Short Term Debt	2,900	6,754
Total	5,616	10,466

34. INSPECTION

In addition to the documents appended hereto, the electronic copy of the following documents will be available for inspection in the investors section of the website of the Company at <https://www.stelis.com/>.

- Copy of the Order dated July 26, 2024 of the NCLT passed in Company Application No. C.A. (CAA) No. CA(CAA)/118/(MB)/2024 directing the convening of meeting(s) of the security creditors of the Third Applicant Company with the facility of e-voting;
- Copy of the Company Application No. C.A. (CAA) No. CA(CAA)/118/(MB)/2024;
- Copy of Scheme of Arrangement;
- Memorandum and Articles of Association of all Applicant Companies;
- Copy of Audited Financial Statements of First Applicant Company for the year ended 31st March 2024;
- Copy of report adopted by the Board of Directors of First Applicant Company under Section 232(2)(c) of the Companies Act, 2013;
- Copy of unaudited Provisional financial statements of the Second Applicant Company for the year ended 31st March 2024;

- h) Copy of report adopted by the Board of Directors of the Second Applicant Company under Section 232(2)(c) of the Companies Act, 2013;
- i) Copy of Audited Financial Statements of the Third Applicant Company for the year ended 31st March 2024;
- j) Copy of report adopted by the Board of Directors of the Third Applicant Company under Section 232(2)(c) of the Companies Act, 2013;
- k) Copies of the Fair Share Entitlement Ratio Report dated 25th September 2023, issued by registered valuer, PwC Business Consulting Services LLP (IBBI Registration No – IBBI/RV-E/02/2022/158);
- l) Certificates issued by Statutory Auditors of all the Applicant Companies in relation to the accounting treatment prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder;
- m) Copies of the Resolutions passed by the respective Board of Directors of Strides Pharma Science Limited, Sterisience Specialties Private Limited and Onesource Specialty Pharma Limited dated 25th September 2023.
- n) List of secured creditors of the Third Applicant Company as on 30th June 2024;
- o) Any other information, contracts or agreements material to the arrangement. Letter (“Observation Letter”) dated 21st May 2024 received from BSE Limited and National Stock Exchange of India Limited;

This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013. A copy of the Scheme and Explanatory statement may also be obtained free of cost from the registered office of the Third Applicant Company.

General:

1. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the equity shareholders of the First Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
2. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the secured of the First Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
3. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the equity shareholders of the Second Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
4. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the secured of the Second Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
5. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the equity shareholders of the Third Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
6. The National Company Law Tribunal, Mumbai bench, by its Order dated July 26, 2024 has directed the Chairperson in consultation with the counsel of the Applicant Companies to convene the meeting of the secured of the Third Applicant Company through VC / OAVM and to publish the notice of the said meeting(s) in the newspaper.
7. No winding up petition has been admitted against any of the Applicant Companies.

8. Copy of the notice(s) issued to the secured creditors of the Third Applicant Company, the Scheme of Arrangement and Explanatory Statement under Section 230 of the Companies Act, 2013 have been placed on the website of the Third Applicant Company at <https://www.stelis.com/>.
9. A copy of the Scheme and Explanatory Statement shall be furnished to the secured creditors, free of charge, within 1 (one) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the secured creditors.

Date: August 06, 2024

Place: Mumbai

Registered Office:

**201, Devavrata, Sector 17, Vashi,
Navi Mumbai, Sanpada, Thane, Thane,
Maharashtra - 400703**

Sd/-

**Mr. V Nallasenapathy
(Chairperson appointed for the Meeting)**

The instructions for Secured Creditors for e-voting on the day of the Secured Creditors Meeting are as under:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above or the first time the system will ask to reset your password.
5. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
6. Now, you will have to click on “Login” button.
7. After you click on the “Login” button, Home page of e-Voting will open.
8. You will be able to see the EVEN no. of the company.
9. Click on “EVEN” of company to cast your vote.
10. Now you are ready for e-Voting as the Voting page opens.
11. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on “Submit” and also “Confirm” when prompted.
12. Upon confirmation, the message “Vote cast successfully” will be displayed.
13. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
14. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
15. If you face any problems/experience any difficulty or If you forgot your password please feel free to contact toll free number 022 - 48867000 or contact on email id evoting@nsdl.com

Instructions for Secured Creditors for attending the Secured Creditors Meeting through VC/OAVM are as under:

Secured Creditors will be provided with a facility to attend the Secured Creditors Meeting through VC/OAVM through the NSDL e-Voting system. Secured Creditors may access the same at <https://www.evoting.nsdl.com> under shareholder / member login by using the e-voting credentials. The link for VC/OAVM will be available in shareholder / member login where the EVEN of Company will be displayed.

001110

SCHEME OF ARRANGEMENT

AMONGST

STRIDES PHARMA SCIENCE LIMITED

("STRIDES" OR "TRANSFEROR COMPANY 1" OR "DEMERGED COMPANY 1")

AND

STERISCIENCE SPECIALTIES PRIVATE LIMITED

("STERISCIENCE" OR "TRANSFEROR COMPANY 2" OR "DEMERGED
COMPANY 2")

AND

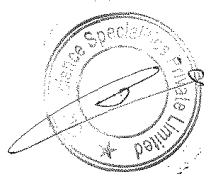
ONESOURCE SPECIALTY PHARMA LIMITED

("ONESOURCE" OR "TRANSFeree COMPANY" OR "RESULTING COMPANY")

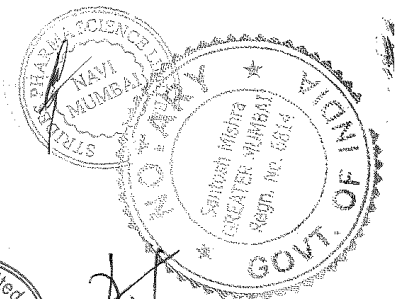
AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER SECTION 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013)



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A. PREAMBLE

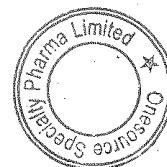
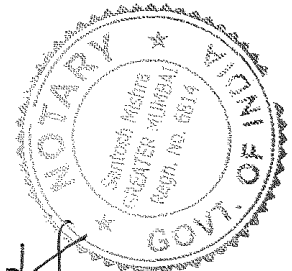
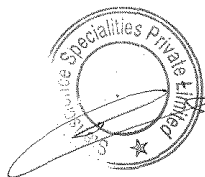
This Scheme of Arrangement ("the Scheme" as more particularly defined hereunder) is presented under Sections 230 to 232 and other applicable provisions of the Act (as defined below) provides for:

- a) Demerger of the Demerged Undertaking 1 (*defined in clause 1.6*) from Strides Pharma Science Limited ("Strides" or "Transferor Company 1" or "Demerged Company 1") into Onesource Specialty Pharma Limited ("Onesource" or "Transferee Company" or "Resulting Company").
- b) Demerger of the Demerged Undertaking 2 (*defined in clause 1.7*) from Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") into Transferee Company.

Strides, Onesource and Steriscience are collectively referred to as "Companies" and individually as "Company".

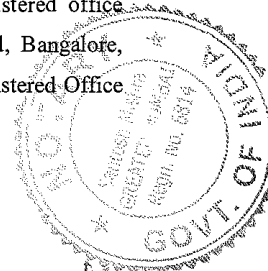
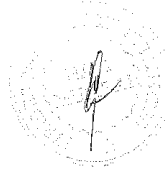
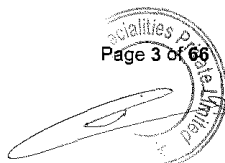
Strides and Steriscience are collectively referred to as "Transferor Companies".

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.



B. BACKGROUND

1. Strides is a public limited company incorporated on 28th June 1990 with Corporate Identification Number: L24230MH1990PLC057062 and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra. Strides is a global pharmaceutical company headquartered in Bengaluru, India and specialises in developing and manufacturing niche finished dosage formulations. The Company mainly operates in the regulated markets and has an “in Africa for Africa” strategy and an institutional business to service donor-funded markets. The Company’s product portfolio encompasses a range of technically complex pharmaceutical products, including liquids, creams, ointments, soft gels, sachets, tablets, and modified-release dosage formats. Its expertise lies in the production of ‘difficult to manufacture’ products. In addition, Strides boasts a dedicated research and development facility in India with global filing capabilities, enabling continuous innovation and growth. Operating in over 100 countries, Strides has a robust global manufacturing footprint spanning eight facilities across four continents, including five US FDA approved sites.
2. Steriscience is a private limited company incorporated on 29th August 2020 with Corporate Identification Number: U24304MH2020PTC424881 and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra. Steriscience is engaged in the business of development, manufacturing, marketing and distribution of niche pharmaceuticals products such as injectables for various markets. Steriscience focuses on creating value-added sterile injectables that bridge the gap at hospitals by streamlining workflows, reducing wastage of key resources, and increasing efficiency that solves for challenges of healthcare professionals across the globe, and also offers contract development and manufacturing services in relation to the same.
3. Onesource is a public limited company incorporated on 12th June 2007 with Corporate Identification Number: U74140KA2007PLC043095 and having its registered office situated at Star 1, Opp IIM Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Bangalore South – 560076. The Transferee Company has shifted its Registered Office



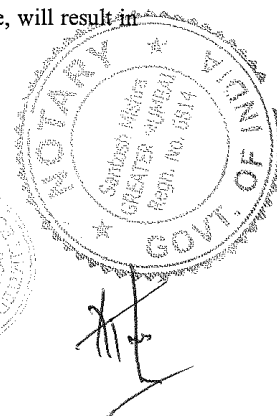
from Star 1, Opp IIM Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Bangalore South – 560076 to 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra vide order of the Regional Director (South Eastern Region), Hyderabad, Ministry of Corporate Affairs, dated 25th March 2024. The Transferee Company is in the process of filing the requisite forms with the concerned Registrar of Companies for implementation of the order of the Regional Director. Onesource is engaged in research, development, manufacture and commercialisation of biological drug products in various injectable formats. Onesource is a leading global biopharmaceutical contract development and manufacturing organization with extensive biologics, biosimilars, and vaccine research capabilities and offers end-to-end contract development and manufacturing services across all phases of pre-clinical and clinical development and commercial supply of biologics. The redeemable non-convertible debentures of Onesource are listed on the BSE Limited.

C. RATIONALE

The Board of Directors of the Companies involved in the Scheme are intending to build a one-of-a-kind specialty pharmaceutical Contract Development and Manufacturing ('CDMO') powerhouse with capabilities in biologics, oral soft gels, complex injectables, sterile injectables, including other complex drug delivery systems. In this regard, it is proposed to combine the Identified CDMO Business and Soft Gelatin Business of Strides (*as defined in clause 1.11*) and the Identified CDMO Business of Steriscience (*as defined in clause 1.12*) under Onesource. The new platform will be able to offer development and manufacturing services covering platform technologies, specialty injectables, complex generics, biosimilars, and biologics.

The proposed Scheme would *inter alia* have the following benefits:

1. The consolidation of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, with Onesource, will result in integration synergies and enable better supervision of the business.



2. The consolidation will allow the management to devise, implement and pursue independent business strategies for the contract development and manufacturing business which will enable a wider scope for independent collaboration, investment opportunities and expansion.
3. The consolidation will enhance business potential and result in an increased capability to offer a wider portfolio of products with a diversified resource base and deeper client relationships.
4. The consolidation would result in efficient utilisation of the infrastructure facilities and optimum utilisation of the available resources.
5. Further, the synergies arising out of the consolidation will lead to enhancement of net worth of the combined business and enhancement in earnings and cash flow would optimize the value of the Onesource and consequently enhance the shareholder's value.
6. The consolidation will create and enhance stakeholder's value by unlocking the intrinsic value of the Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, on listing of shares of Onesource.
7. Moreover, the Scheme is expected to increase the long-term value for the shareholders of all the Companies and other stakeholders.

In view of the aforesaid, the Board of Directors of the Companies have considered and proposed this Scheme and matters incidental thereto pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

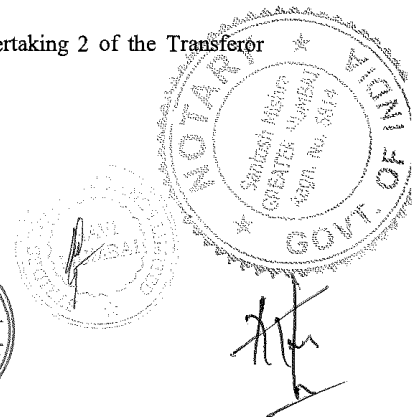
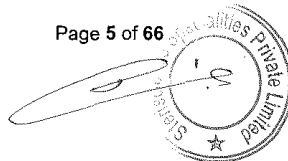
D. PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. Part I deals with Definitions, Interpretations and Share Capital
2. Part II deals with the demerger of the Demerged Undertaking 1 of the Transferor Company 1 into the Transferee Company.
3. Part III deals with the demerger of the Demerged Undertaking 2 of the Transferor Company 2 into the Transferee Company.



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4. Part IV deals with General Terms and Conditions applicable to the Scheme and other matters consequential and integrally connected thereto.

Though this Scheme is divided into various parts for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Scheme.

E. NO ARRANGEMENT WITH CREDITORS

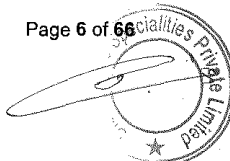
Under the proposed Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and/or unsecured creditors of the Companies. No compromise is offered under this Scheme to any of the creditors of the Companies. The liability towards the creditors of the Transferor Company 1 (relating to the Demerged Undertaking 1) and Transferor Company 2 (relating to the Demerged Undertaking 2) is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company, as per the original terms thereof.

PART I - DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

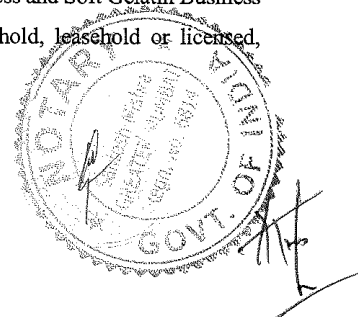
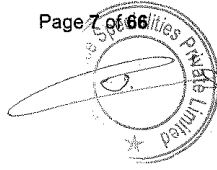
1. Definitions

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively assigned against them:

- 1.1 “Act” means the Companies Act, 2013 and the rules and regulations made thereunder and shall include any statutory modification, amendments or re-enactment thereof for the time being in force;
- 1.2 “Appointed Date” means 1st April, 2024 or such other date as may be fixed or approved by the National Company Law Tribunal or such other competent authority / Appropriate Authority;

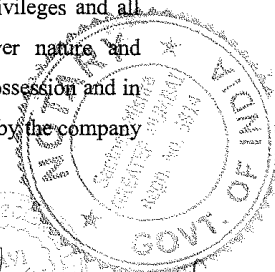
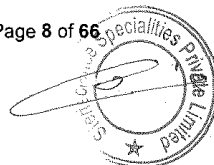


- 1.3 **“Applicable Law”** means any applicable statute, law, regulation, ordinance, rule, judgement, order, decree, clearance, approval, directive, guideline, requirement or any similar form of determination by or decision of any Appropriate Authority, that is binding or applicable to a Person, whether in effect as of the date on which this Scheme has been approved by the Board of the Companies or at any time thereafter;
- 1.4 **“Appropriate Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or arbitral body having jurisdiction or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Official Liquidator, Competition Commission of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchange, National Company Law Tribunal and such other sectoral regulators or authorities as may be applicable;
- 1.5 **“Board of Directors” or “Board”** in relation to a Company, means the board of directors of such Company, and shall include a committee of directors, or any other person duly authorised by such Board of Directors or such Committee of Directors for the purpose of this Scheme;
- 1.6 **“Demerged Undertaking 1”** means the Identified CDMO Business and Soft Gelatin Business of Strides, on a going concern basis, comprising, inter alia, of all assets, properties, liabilities, permits, licenses, registrations, approvals, contracts, and employees, in relation to and pertaining to such business and shall include without limitation:
- all properties and assets of the Identified CDMO Business and Soft Gelatin Business of Strides including all movable or immovable, freehold, leasehold or licensed,



tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, furniture, fixtures, office equipment, appliances, accessories, vehicles, sheds, godowns, warehouses, investments, stocks, sundry debtors, deposits, provisions, advances, recoverables, receivables, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, security deposits, or other entitlements, funds, powers, authorities, licenses, registrations, quotas, allotments, consents, privileges, liberties, advantages, easements and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by Strides with respect to the Identified CDMO Business and Soft Gelatin Business of Strides;

- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes for the purpose of carrying on the Identified CDMO Business and Soft Gelatin Business of Strides;
- iii. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities pertaining to the Identified CDMO Business and Soft Gelatin Business of Strides;
- iv. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature, and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of Strides or enjoyed by the company



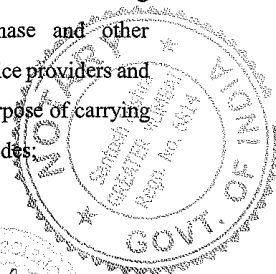
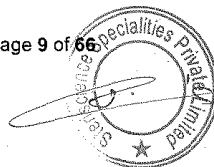
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or in connection with or relating to the said company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of the Identified CDMO Business and Soft Gelatin Business of Strides;

- v. all permissions, approvals, consents, subsidies, privileges, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Identified CDMO Business and Soft Gelatin Business of Strides;
- vi. all licenses (including but not limited to licenses under the Drugs and Cosmetics Act, 1940 and Food Safety and Standards Act, 2006 or any other license granted by any government, statutory or regulatory bodies for the purpose of carrying on the business or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever for the purpose of carrying on the business of the Identified CDMO Business and Soft Gelatin Business of Strides;
- vii. all application monies, advance monies, earnest monies and/ or security deposits paid or deemed to have been paid and payments against other entitlements with respect to the Identified CDMO Business and Soft Gelatin Business of Strides;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease/ license agreements, tenancy rights, bonds, schemes, arrangements, sales orders, service arrangements, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements/ contracts with the supplier/manufacturer of goods/ service providers and all rights, title, interests, claims and benefits there under for the purpose of carrying on the Identified CDMO Business and Soft Gelatin Business of Strides;



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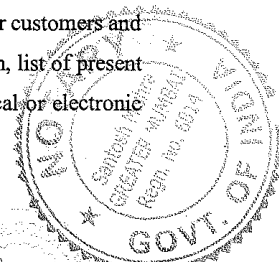
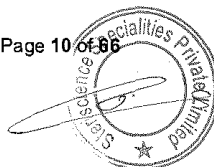


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- ix. all tax credits, refunds, reimbursements, claims, deductions, concessions, exemptions, benefits under Tax Laws including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off accumulated losses and unabsorbed depreciation, if any, deferred tax assets, goods and service tax credit, deductions and benefits under the Income-tax Act or any other taxation statute enjoyed by Strides with respect to the Identified CDMO Business and Soft Gelatin Business of Strides;
- x. all debts, borrowings, obligations, duties and liabilities both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of Strides, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or un-matured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Identified CDMO Business and Soft Gelatin Business of Strides;
- xi. all applications (including but not limited to Abbreviated New Drug Applications), permits, licences, approvals, registrations, quotas, incentives (including but not limited to production linked incentives), powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, pre-qualifications, trademarks, designs, copyrights, patents and other intellectual property rights pertaining to the Identified CDMO Business and Soft Gelatin Business of Strides, whether registered or unregistered and powers of every kind, nature and description whatsoever, whether from the government bodies or otherwise, pertaining to or relating to the Identified CDMO Business and Soft Gelatin Business of Strides;
- xii. all books, records, files, papers, process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, list of present and former agents and brokers and other records whether in physical or electronic



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form in connection with or relating to the Identified CDMO Business and Soft Gelatin Business of Strides;

- xiii. all legal proceedings, suits, claims, disputes, causes of action, litigation, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, in connection with the Identified CDMO Business and Soft Gelatin Business of Strides;
- xiv. all insurance policies with respect to the Identified CDMO Business and Soft Gelatin Business of Strides; and
- xv. all permanent and/or temporary employees, workmen, staff, contract staff or laborers engaged in the Identified CDMO Business and Soft Gelatin Business of Strides as may be determined by the board of directors of Strides.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking 1 or whether it arises out of the activities or operations of the Demerged Undertaking 1 shall be decided by mutual agreement between Board of Directors of the Transferor Company 1 and the Transferee Company.

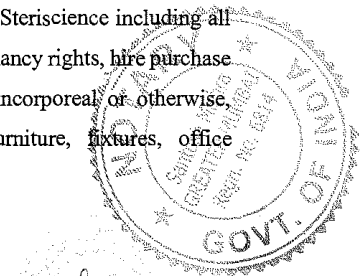
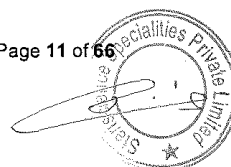
Further the Board of Directors of the Transferor Company 1 and the Transferee Company may mutually decide the modalities/commercial arrangement between the said Companies with regard to utilization of resources to ensure smooth transition and functioning of the respective businesses.

- 1.7 **“Demerged Undertaking 2”** means the Identified CDMO Business of Steriscience, on a going concern basis, comprising, inter alia, of all assets, properties, liabilities, permits, licenses, registrations, approvals, contracts, and employees, in relation to and pertaining to such business and shall include without limitation:

- i. all properties and assets of Identified CDMO Business of Steriscience including all movable or immovable, freehold, leasehold or licensed, tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, furniture, fixtures, office



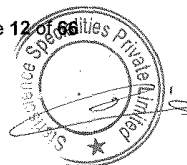
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equipment, appliances, accessories, vehicles, sheds, godowns, warehouses, investments, stocks, sundry debtors, deposits, provisions, advances, recoverables, receivables, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, security deposits, or other entitlements, funds, powers, authorities, licenses, registrations, quotas, allotments, consents, privileges, liberties, advantages, easements and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Steriscience with respect to Identified CDMO Business of Steriscience;

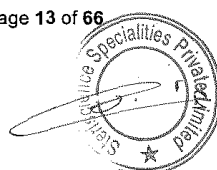
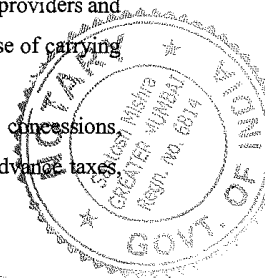
- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes for the purpose of carrying on the Identified CDMO Business of Steriscience;
- iii. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities pertaining to the Identified CDMO Business of Steriscience;
- iv. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of Steriscience or enjoyed by the company or in connection with or relating to the said company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the



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control of or vested in or granted in favour of or held for the benefit of the Identified CDMO Business of Steriscience;

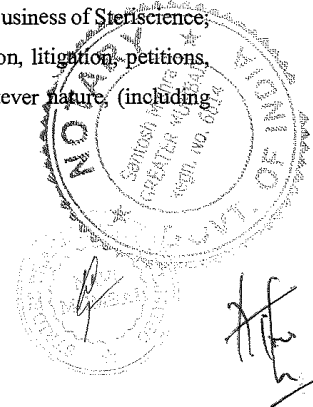
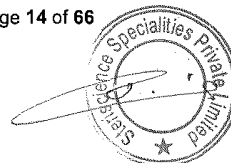
- v. all permissions, approvals, consents, subsidies, privileges, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Identified CDMO Business of Steriscience;
- vi. all licenses (including but not limited to licenses under the Drugs and Cosmetics Act, 1940 and Food Safety and Standards Act, 2006 or any other license granted by any government, statutory or regulatory bodies for the purpose of carrying on the business or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever for the purpose of carrying on the Identified CDMO Business of Steriscience;
- vii. all application monies, advance monies, earnest monies and/ or security deposits paid or deemed to have been paid and payments against other entitlements with respect to the Identified CDMO Business of Steriscience;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease/ license agreements, tenancy rights, bonds, schemes, arrangements, sales orders, service arrangements, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements/ contracts with the supplier/manufacturer of goods/ service providers and all rights, title, interests, claims and benefits there under for the purpose of carrying on the Identified CDMO Business of Steriscience;
- ix. all tax credits, refunds, reimbursements, claims, deductions, concessions, exemptions, benefits under Tax Laws including sales tax deferrals, advance taxes



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tax deducted at source, right to carry forward and set-off accumulated losses and unabsorbed depreciation, if any, deferred tax assets, goods and service tax credit, deductions and benefits under the Income-tax Act or any other taxation statute enjoyed by Steriscience with respect to the Identified CDMO Business of Steriscience;

- x. all debts, borrowings, obligations, duties and liabilities both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of Steriscience, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or un-matured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Identified CDMO Business of Steriscience;
- xi. all applications (including but not limited to Abbreviated New Drug Applications), permits, licences, approvals, registrations, quotas, incentives (including but not limited to production linked incentives), powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, pre-qualifications, trademarks, designs, copyrights, patents and other intellectual property rights of Steriscience pertaining to the Identified CDMO Business of Steriscience, whether registered or unregistered and powers of every kind, nature and description whatsoever, whether from the government bodies or otherwise, pertaining to or relating to the Identified CDMO Business of Steriscience;
- xii. all books, records, files, papers, process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, list of present and former agents and brokers and other records whether in physical or electronic form in connection with or relating to the Identified CDMO Business of Steriscience;
- xiii. all legal proceedings, suits, claims, disputes, causes of action, litigation, petitions, appeals, writs, legal, taxation or other proceedings of whatever nature, (including



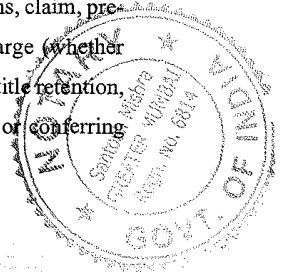
before any statutory or quasi-judicial authority or tribunal), under Applicable Law, in connection with the Identified CDMO Business of Steriscience;

- xiv. all insurance policies with respect to the Identified CDMO Business of Steriscience; and
- xv. all permanent and/or temporary employees, workmen, staff, contract staff or laborers engaged in the business of the Identified CDMO Business of Steriscience as may be determined by the board of directors of Steriscience.

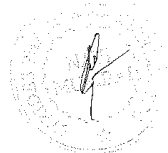
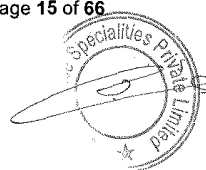
Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking 2 or whether it arises out of the activities or operations of the Demerged Undertaking 2 shall be decided by mutual agreement between Board of Directors of the Transferor Company 2 and the Transferee Company.

Further the Board of Directors of the Transferor Company 2 and the Transferee Company may mutually decide the modalities/commercial arrangement between the said Companies with regard to utilization of resources to ensure smooth transition and functioning of the respective businesses.

- 1.8 **"Demerger"** shall have the meaning ascribed to it under Section 2(19AA) of the IT Act;
- 1.9 **"Effective Date"** in relation to the Scheme, means the last of the dates on which certified copies of the order of the NCLT sanctioning the Scheme are filed by the Companies with the jurisdictional Registrar of Companies. References in this Scheme to the date of "coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of this Scheme" or "Scheme becomes effective" shall mean the Effective Date;
- 1.10 **"Encumbrance" or to "Encumber"** means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring



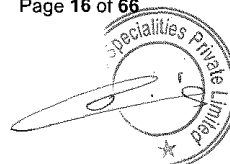
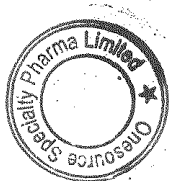
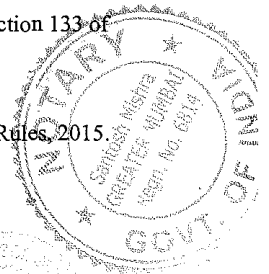
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any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;

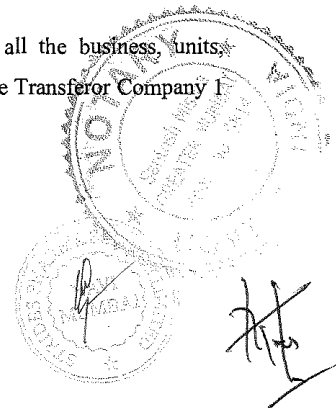
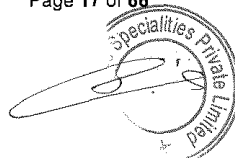
- 1.11 **“Identified CDMO Business and Soft Gelatin Business of Strides”** means the business of manufacturing of oral soft gelatins for its customers and under contract development and manufacturing arrangement, carried on by Strides at the plant located at KRS Gardens, Bangalore, along with related assets, customer contracts, employees, and intellectual properties. The said business also comprises of the intellectual properties, customer contracts and other related assets in relation to the contract development and manufacturing business carried on by Strides through its investment in Strides Pharma Services Private Limited which carries out the contract development and manufacturing of oral soft gelatins through Strides Softgels Pte. Ltd., Singapore, a step down wholly owned subsidiary of Strides. Further, the said business would also comprise of the investment held by Strides in Onesource, through which Strides is engaged in contract development and manufacturing activities across all phases of pre-clinical and clinical development and commercial supply of biologics;
- 1.12 **“Identified CDMO business of Steriscience”** means the business in relation to the contract development and manufacturing of sterile injectables, carried on by Steriscience in the special products division and beta lactam division located at Bangalore, along with related assets, customer contracts, employees, and intellectual properties. Further, the said business also comprises of the intellectual properties, customer contracts and other related assets in relation to the contract development and manufacturing business of sterile injectables carried on by Steriscience through Steriscience Specialties Pte. Ltd., Singapore, a wholly owned subsidiary of Steriscience;
- 1.13 **“Ind AS”** shall mean the Indian Accounting Standards as notified under Section 133 of the Act.
- 1.14 **“Ind AS Rules”** shall mean the Companies (Indian Accounting Standards) Rules, 2015.

- 1.15 **“IT Act” or “Income-tax Act”** means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.16 **“National Company Law Tribunal” or “NCLT” or “Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act and/ or the National Company Law Appellate Tribunal (“NCLAT”) as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;
- 1.17 **“Parties” or “Companies”** means collectively the Transferor Company 1, Transferor Company 2 and the Transferee Company and “Party” or “Company” shall mean each of them, individually;
- 1.18 **“Record Date 1”** means a mutually agreed date to be fixed by the Board of Directors of the Transferor Company 1 and Transferee Company for the purposes of determining the shareholders of the Transferor Company 1 to whom shares would be issued and allotted in accordance with clause 11.1 of this Scheme;
- 1.19 **“Record Date 2”** means a mutually agreed date to be fixed by the Board of Directors of the Transferor Company 2 and Transferee Company for the purposes of determining the shareholders of the Transferor Company 2 to whom shares would be issued and allotted in accordance with clause 20.1 of this Scheme;
- 1.20 **“Registrar of Companies”** means the Registrar of Companies having jurisdiction over the Companies.
- 1.21 **“Remaining Business of Transferor Company 1”** means all the business, units, divisions, undertakings, assets, investments and liabilities of the Transferor Company 1 other than the Demerged Undertaking 1;



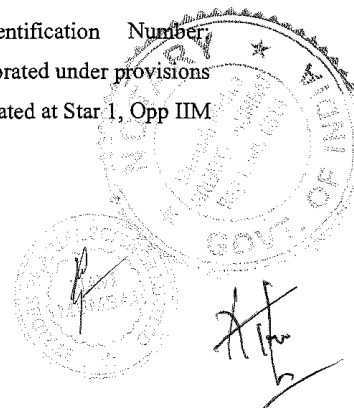
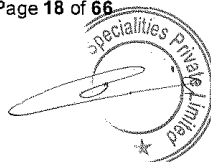
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- 1.22 **"Remaining Business of Transferor Company 2"** means all the business, units, divisions, undertakings, assets, investments and liabilities of the Transferor Company 2 other than the Demerged Undertaking 2;
- 1.23 **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"the Scheme of Arrangement"** means this Scheme of Arrangement in its present form submitted to the NCLT or with any modification(s) made under clause 33 of this Scheme or with such other modifications/amendments as the NCLT may direct;
- 1.24 **"SEBI"** means the Securities Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.25 **"SEBI Circulars"** means the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall inter-alia refer to SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time.
- 1.26 **"Share Entitlement Ratio 1"** shall have the meaning set out in clause 11.1;
- 1.27 **"Share Entitlement Ratio 2"** shall have the meaning set out in clause 20.1;
- 1.28 **"Stock Exchange"** means BSE Limited and National Stock Exchange of India Limited;
- 1.29 **"Tax Laws"** mean IT Act, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act, applicable to any state in which the Companies operate, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, or Service Tax, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- 1.30 **"Transferee Company"** or **"Resulting Company"** or **"Onesource"** means Onesource Specialty Pharma Limited (Corporate Identification Number, U74140KA2007PLC043095), a public limited company incorporated under provisions of the Companies Act, 1956 and having its registered office situated at Star 1, Opp IIM

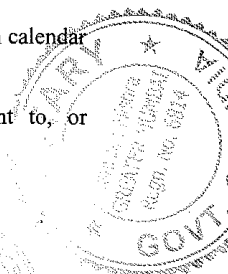
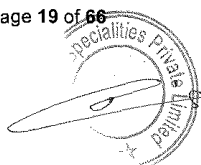


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Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Bangalore South – 560076. The Transferee Company has shifted its Registered Office from Star 1, Opp IIM Bangalore, Bilekahalli, Bannerghatta Road, Bangalore, Bangalore South – 560076 to 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra vide order of the Regional Director (South Eastern Region), Hyderabad, Ministry of Corporate Affairs, dated 25th March 2024. The Transferee Company is in the process of filing the requisite forms with the concerned Registrar of Companies for implementation of the order of the Regional Director.

- 1.31 **“Transferor Company 1” or “Demerged Company 1” or “Strides”** means Strides Pharma Science Limited (Corporate Identification Number: L24230MH1990PLC057062), a public limited company incorporated under provisions of the Companies Act, 1956 and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra.
- 1.32 **“Transferor Company 2” or “Demerged Company 2” or “Steriscience”** means Steriscience Specialties Private Limited (Corporate Identification Number: U24304MH2020PTC424881), a private limited company incorporated under provisions of the Companies Act, 2013 and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, Maharashtra.
2. In this Scheme, unless the context otherwise requires:
- words denoting the singular shall include the plural and vice versa;
 - headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
 - references to the word “include” or “including” shall be construed without limitation;
 - a reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
 - unless otherwise defined, the reference to the word “days” shall mean calendar days;
 - reference to a document includes an amendment or supplement to, or



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replacement or novation of that document;

- g) word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) references to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- i) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws, rules, regulations, byelaws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other statutory authorities or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

4. SEQUENCE OF EFFECTIVENESS OF THE SCHEME

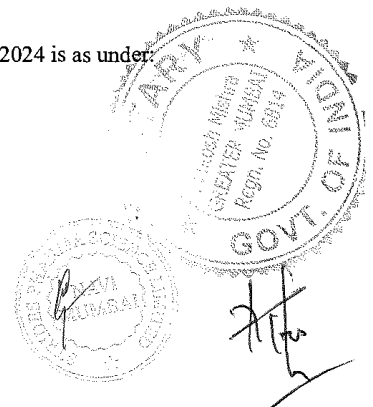
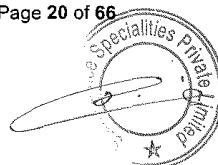
Upon the Scheme becoming effective, with effect from the Appointed Date, the Part II and Part III, which provides for demerger of Demerged Undertaking 1 and Demerged Undertaking 2 from Transferor Company 1 and Transferor Company 2 respectively, to Transferee Company, shall become effective and operative simultaneously.

5. SHARE CAPITAL

- 5.1 The share capital of the Transferor Company 1 as on 15th May 2024 is as under:



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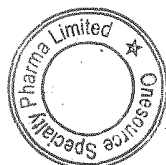
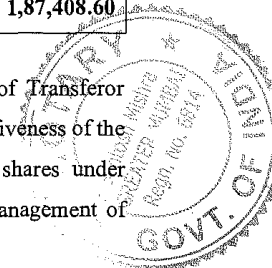
Particulars	Amount (Rs.)
Authorised Share Capital	
18,83,70,000 equity shares of Rs. 10/- each	1,88,37,00,000
Total	1,88,37,00,000
Issued, Subscribed and Paid-up Share Capital	
9,19,09,714 Equity Shares of Rs. 10/- each	91,90,97,140
Total	91,90,97,140

The equity shares of the Transferor Company 1 are listed on the Stock Exchange. As at 15th May 2024, the Transferor Company 1 has 2,81,000 outstanding employee stock options under the existing stock option schemes, exercise of which may result in an increase by equal number of equity shares in the issued and paid-up share capital of the Transferor Company 1.

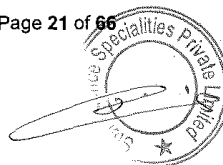
5.2 The share capital of the Transferor Company 2 as on 15th May 2024 is as under:

Particulars	Amount (Rs.)
Authorised Share Capital	
1,50,000 Equity Shares of Rs. 10/- each	15,00,000
4,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- each	40,00,000
Total	55,00,000
Issued, Subscribed and Paid-up Share Capital	
18,736 Fully Paid-up Equity Shares of Rs. 10/-	1,87,360
486 Partly Paid-up Equity Shares of Rs. 0.1/-	48.60
Total	1,87,408.60

Prior to the Scheme coming into effect, the 486 partly paid shares of Transferor Company 2 shall be converted into fully paid-up shares. Before the effectiveness of the Scheme, the Transferor Company 2 has committed to issue 1,649 shares under employee stock options and under other commitments made by the management of



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Transferor Company 2, on account of which the above-mentioned share capital may undergo a change.

- 5.3 The share capital of the Transferee Company as on 15th May 2024 is as under:

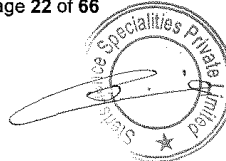
Particulars	Amount (Rs.)
Authorised Share Capital	
5,00,00,000 Equity Shares of Rs. 1/- each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up Share Capital	
4,04,73,816 Fully Paid-up Equity Shares of Rs. 1/-	4,04,73,816
10,72,694 Partly Paid-up Equity Shares of Rs. 0.05/-	53,634.70
Total	4,05,27,450.70

Prior to the Scheme coming into effect, the 10,72,694 partly paid shares of Transferee Company shall be converted into fully paid-up shares. Before the effectiveness of the Scheme, the Transferee Company has committed to issue 5,10,144 shares under employee stock options and under other commitments made by the management of Transferee Company, on account of which the above-mentioned share capital may undergo a change.

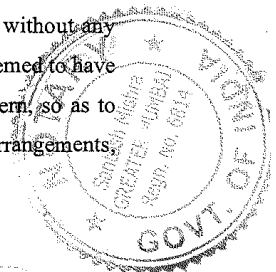
**Part II – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 1 OF
THE TRANSFEROR COMPANY 1 INTO THE TRANSFEE COMPANY**

6. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

- 6.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Demerged Undertaking 1 shall, without any further act, instrument or deed, be transferred to, and be vested in or be deemed to have been transferred to and vested in Transferee Company, as a going concern, so as to become on and from the Appointed Date, the assets, liabilities, contracts, arrangements,



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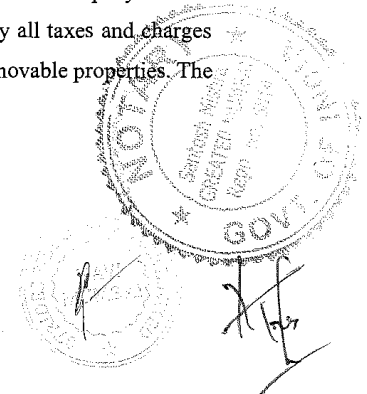
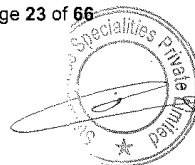


employees, permits, records, etc. of Transferee Company by virtue of operation of law and in the manner provided in this Scheme.

- 6.2 In respect of such of the assets and properties forming part of the Demerged Undertaking 1 which are movable in nature (including but not limited to all intangible assets and intellectual properties) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Transferor Company 1 to Transferee Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of Transferee Company without requiring any deed or instrument of conveyance for transfer of the same.
- 6.3 Subject to clause 6.4 below, with respect to the assets of the Demerged Undertaking 1 other than those referred to in clause 6.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company 1, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of Transferee Company. With regard to the licenses of the properties, Transferee Company will enter into novation agreements, if it is so required.
- 6.4 In respect of such of the assets and properties forming part of the Demerged Undertaking 1 which are immovable in nature, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, same shall stand transferred to and be vested in Transferee Company with effect from the Appointed Date, without any act or deed done by the Transferor Company 1 or Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The



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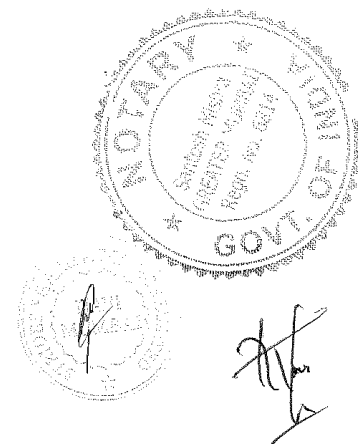
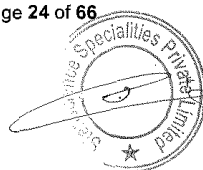


mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company 1 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.

- 6.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 1 in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in Transferee Company, if Transferee Company so decides, the Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 6.6 Upon the Scheme coming into effect and with effect from the Appointed Date, all rights entitlements, licenses, applications and registrations relating to copyrights, trademarks, service marks, brand names, logos, patents and other intellectual property rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relating to the Demerged Undertaking 1, to which either the Transferor Company 1 is a party or to the benefit of which the Transferor Company 1 may be / was eligible or entitled, shall become the rights, entitlement or property of Transferee Company and shall be enforceable by or against Transferee Company, as fully and effectually as if, instead of the Transferor Company 1, Transferee Company had been a party or beneficiary or obligee thereto or the holder or owner thereof.
- 6.7 Upon effectiveness of the Scheme,



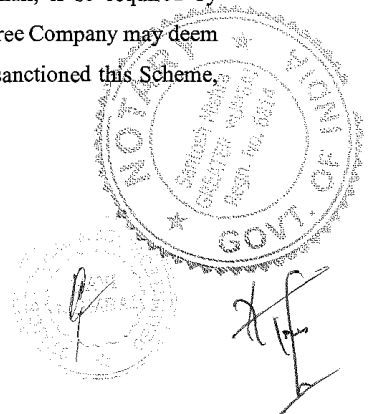
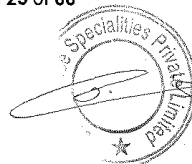
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- a. The Transferor Company 1 may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit relating to the Demerged Undertaking 1 stands transferred to and vested in Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes.
- b. all liabilities relating to and comprised in the Demerged Undertaking 1 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 1 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations of Demerged Undertaking 1, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, without any further act, instrument, deed, matter or thing.
- c. If the Transferor Company 1 is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes (including production linked incentive schemes) and policies or concessions relating to the Demerged Undertaking 1 under any Tax Law or Applicable Law, Transferee Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Transferor Company 1, the portion which will be attributed to the Demerged Undertaking 1 and be transferred to Transferee Company shall be determined by the Board of the Transferor Company 1 in accordance with the Applicable Law.
- d. Subject to clause 27 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 1, the Transferor Company 1 shall, if so required by Transferee Company, issue notices in such form as Transferee Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme,



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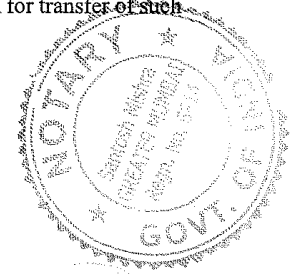
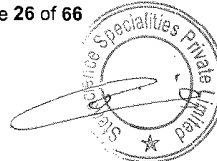
the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company 1 to recover or realise the same stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

- e. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Transferee Company and are in relation to or in connection with the Demerged Undertaking 1, shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company, if and when presented by Transferee Company.
- f. The Transferee Company shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any Law or otherwise execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking 1 to which the Transferor Company 1 has been a party, in order to give formal effect to the above provisions.
- g. Upon the Scheme coming into effect on the Effective Date and with effect from Appointed Date, in relation to the assets forming part of the Demerged Undertaking 1, if any, separate documents are required for vesting of such assets in the Transferee Company, or which the Transferor Company 1 and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company 1 and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- h. It is hereby clarified that if any assets of the Demerged Undertaking 1, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 1 shall hold such asset in trust for the benefit of the Transferee Company and the Parties will thereafter mutually agree to the mechanism for transfer of such assets as per applicable law.

7. ENCUMBRANCES



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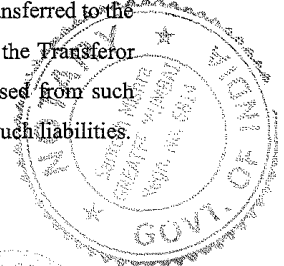
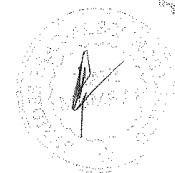


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- 7.1 The transfer and vesting of the assets comprised in the business of the Demerged Undertaking 1 of the Transferor Company 1, to and in the Transferee Company under clause 6 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 7.2 In so far as any Encumbrance in respect of liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Demerged Undertaking 1 which have been Encumbered in respect of the liabilities as transferred to Transferee Company pursuant to the Scheme. Provided that if any of the assets comprised in the Demerged Undertaking 1 which are being transferred to Transferee Company pursuant to this Scheme have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered, and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above.
- 7.3 All the existing securities, mortgages, charges, Encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company 1 after the Appointed Date, over the assets comprised in the business of the Demerged Undertaking 1 of the Transferor Company 1, or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company 1, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- 7.4 In so far as the assets comprised in the Demerged Undertaking 1 are concerned, the Encumbrance over such assets relating to any liabilities which are not transferred to the Transferee Company pursuant to this Scheme and which continue with the Transferor Company 1 shall without any further act, instrument or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.



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- 7.5 It is expressly provided that, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or to the extent guarantees are replaced or otherwise by necessary implication.
- 7.6 The provisions of this clause 7 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

8. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 8.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to Demerged Undertaking 1 to which the Transferor Company 1 is a party or to the benefit of which the Transferor Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company 1, the Transferee Company had been a party or beneficiary or obligee thereto.
- 8.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company 1 is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 8.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking 1 to which the Transferor Company 1 is a party, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 1 shall



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hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company and Parties shall mutually agree on the mechanism for transfer of the same thereafter.

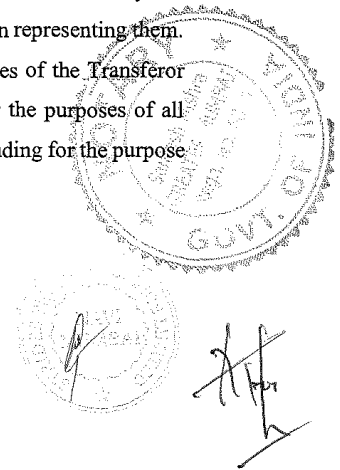
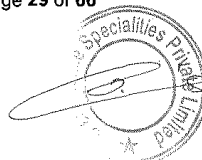
- 8.4 Upon the Scheme coming into effect and with effect from Appointed Date, all consents, agreements, permissions, statutory or regulatory licenses, certificates, insurance covers, clearances, authorities and power of attorney given by, issued to or executed in favour of the Transferor Company 1 in relation to the Demerged Undertaking 1, shall stand transferred to the Transferee Company in accordance with Applicable Laws, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company 1 in relation to the Demerged Undertaking 1 are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company 1, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

9. EMPLOYEES AND STAFF

- 9.1 Upon the Scheme becoming effective and with effect from the Effective Date, Transferee Company undertakes to engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking 1, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 1. Transferee Company undertakes to continue to abide by any agreement / settlement or arrangement entered into or deemed to have been entered into by the Transferor Company 1 with any of the aforesaid employees or union representing them. Transferee Company agrees that the services of all such employees of the Transferor Company 1 prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose



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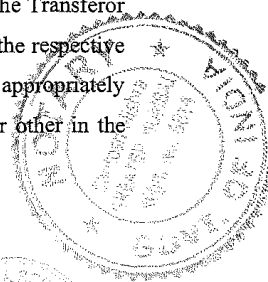
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of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking 1 shall be decided by the Board of Directors of Transferor Company 1, and such decision shall be final and binding on all concerned Parties.

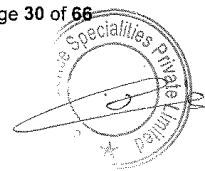
- 9.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authority, by Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 1.

10. LEGAL PROCEEDINGS

- 10.1 Upon coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) ("Proceedings") by or against the Transferor Company 1 under any statute, pending on the Appointed Date, relating to the Demerged Undertaking 1, shall be continued and enforced by or against the Transferee Company after the Effective Date. To the extent such Proceedings cannot be taken over by the Transferee Company, the Proceedings shall be pursued by the Transferor Company 1 as per the instructions of and entirely at the costs and expenses of the Transferee Company. In the event that such liability is incurred or such claim or demand is made upon the Transferor Company 1 pertaining to the Demerged Undertaking 1, then the Transferee Company shall reimburse and indemnify the Transferor Company 1 for any payments made in relation to the same. The Transferor Company 1 and the Transferee Company shall take appropriate steps in the respective court or forum of the Proceedings before which they are pending to appropriately substitute the name of the plaintiff, defendant, petitioner, respondent or other in the



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cause title respectively from that of the Transferor Company 1 to the name of the Transferee Company, on due approval or sanction of such court or forum as appropriate.

- 10.2 Any Proceedings by or against the Transferor Company 1 under any statute, pending on the Appointed Date, whether or not in respect of any matter arising before the Effective Date relating to the Remaining Business of Transferor Company 1 (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company 1 in respect of the Remaining Business of Transferor Company 1) shall be continued and enforced by or against the Transferor Company 1. The Transferee Company shall in no event be responsible or liable for or in relation to any such Proceeding by or against the Transferor Company 1.

11. CONSIDERATION

- 11.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Demerged Undertaking 1 of Transferor Company 1 with the Transferee Company pursuant to this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis, to each member of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Record Date 1, as follows:

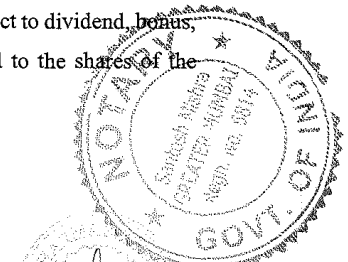
Share Entitlement Ratio 1:

"1 (One) equity share of Transferee Company (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Transferor Company 1 (of INR 10/- each fully paid up)."

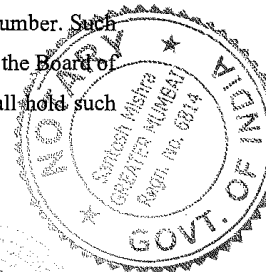
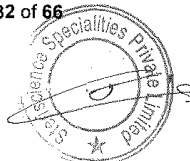
- 11.2 The equity shares to be issued and allotted pursuant to the demerger of the Demerged Undertaking 1 into the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.



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- 11.3 Subject to Applicable Laws, the equity shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository, in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the shares in terms of this Scheme. The shareholders of the Transferor Company 1 who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date 1 to enable it to issue the equity shares. However, if no such details have been provided to the Transferee Company by the shareholders holding shares in physical share certificates on or before the Record Date 1, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialized form to a person nominated by the Board of Transferee Company ("Nominated Person") who shall hold these equity shares for the benefit of such shareholder. The equity shares of Transferee Company held by the Nominated Person for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Nominated Person, along with such other documents as may be required by the Nominated Person. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Nominated Person. All costs and expenses incurred in this respect shall be borne by Transferee Company.
- 11.4 For the purpose of the allotment of the shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number. Such consolidated shares shall be issued to and held by the Trust (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such



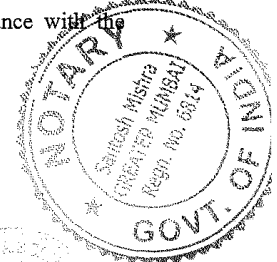
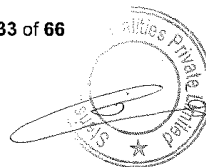
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shares, with all additions or accretions thereto, for the benefit of the respective shareholders of the Transferee Company to whom they belong ("Record Date 1 Shareholders") for the specific purpose of selling such shares in the market at such price or prices and at such time or times, within a period of 90 days from the date of allotment of shares, as the Trust may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the nearest Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements. To the extent any Record Date 1 Shareholder requires any consents, approvals or waivers (including any governmental approvals under applicable law) to receive such consideration, such shareholder shall be liable to procure the same prior to any distributions being made by the Trust.

- 11.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 1, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 1, after the Scheme becoming effective.
- 11.6 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 1 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.
- 11.7 If necessary, the Transferee Company shall before allotment of the equity shares of Transferee Company in term of the Scheme, increase, reclassify, and/or restructure its authorised share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.



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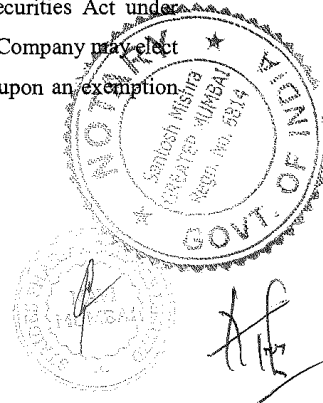
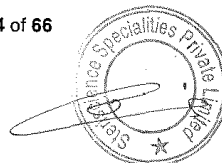


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- 11.8 In the event, any or all of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in clause 11.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 11.9 Upon the issuance and allotment of equity shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filling of the applications with Stock Exchange, for the purpose of listing of the equity shares of the Transferee Company on such recognized Stock Exchange, in accordance with the Applicable Laws.
- 11.10 The shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 11.11 There shall be no change in the shareholding pattern or control in Transferee Company between the Record Date 1 and the listing which may affect the status of the approvals received from the Stock Exchange.
- 11.12 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.
- 11.13 The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 1 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.
- 11.14 The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption



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from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLT to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

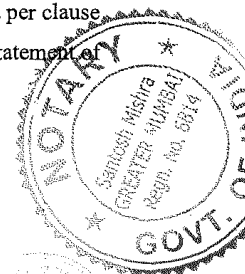
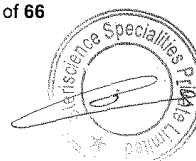
12. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 1

12.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the demerger of the Demerged Undertaking 1 from the Transferor Company 1 to the Transferee Company shall be accounted for, in the books of the Transferor Company 1, in accordance with Appendix A of Ind AS 10 'Distribution of Non-Cash Assets to Owners' and other applicable Ind AS read with the Ind AS rules, as may be amended from time to time as follows:

- 12.1.1 The Transferor Company 1 shall measure a liability to distribute non cash assets to its owners to the extent of fair value of the Demerged Undertaking 1 to be distributed with a corresponding debit to the securities premium to the extent of book value of net assets (book value of assets minus book value of liabilities of Demerged Undertaking 1) and the balance amount (fair value of the Demerged Undertaking minus book value of net assets) shall be debited against the retained earnings of the Transferor Company 1.
- 12.1.2 The Transferor Company 1 shall reduce from its books of accounts, the carrying amount of assets and liabilities pertaining to the Demerged Undertaking 1, being transferred to the Transferee Company.
- 12.1.3 The book value of the net assets de-recognised as per clause 12.1.2 above will be adjusted against the carrying amount of the liability recognised as per clause 12.1.1 above, and the difference, if any, shall be recognised in the Statement of Profit and Loss.



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12.1.4 The adjustment to the securities premium (as per clause 12.1.1 above) shall be effected as an integral part of the Scheme, pursuant to the order of the NCLT sanctioning this Scheme, under Section 230 of the Act. The order of the NCLT sanctioning this Scheme shall also include approval and confirmation of such reduction in the securities premium of the Transferor Company 1 to the extent so required. Accordingly, as provided in the second explanation in Section 230 of the Act, the provisions of Section 66 of the Act shall not apply to such reduction of securities premium of the Transferor Company 1, effected in pursuance of the said order of the NCLT. Notwithstanding the reduction in the securities premium of the Transferor Company 1, the Transferor Company 1 shall not be required to add "And reduced" as a suffix to its name.

13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFeree COMPANY

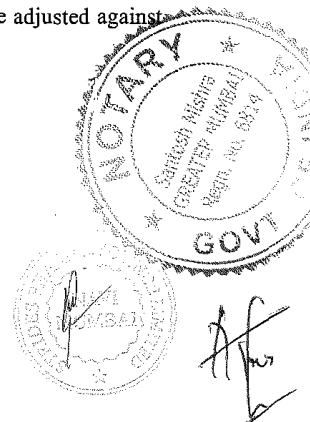
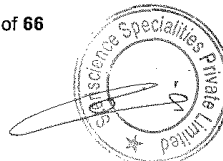
13.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company will account for the demerger of Demerged Undertaking 1 of the Transferor Company 1 in its books of accounts using the principles laid down in Indian Accounting Standard 103 - Business Combinations and other applicable generally accepted accounting principles as follows:

13.1.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities transferred to and vested in it pertaining to the Demerged Undertaking 1 of the Transferor Company 1 pursuant to this Scheme at the fair values as on the Appointed Date.

13.1.2 The shareholding in the Transferee Company held by Transferor Company 1 as on the Appointed Date shall stand cancelled. Upon cancellation, the Transferee Company shall debit to its equity share capital the aggregate face value of such cancelled equity shares with a corresponding credit to the investments recognised as part of 13.1.1. The difference (if any) would be adjusted against the securities premium of the Transferee Company.



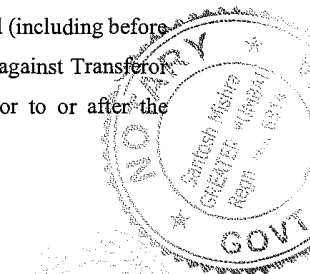
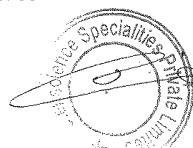
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- 13.1.3 The Transferee Company shall credit the aggregate face value of the equity shares of Transferee Company issued and allotted by it as per clause 11 above to the members of the Transferor Company 1, to its share capital in its books of account. The excess, if any, of the fair value of the equity shares over the face value of the equity shares shall be credited to the securities premium of the Transferee Company.
- 13.1.4 Upon the Scheme becoming effective, the intercompany balances between the Transferee Company and the Demerged Undertaking 1 of the Transferor Company 1, if any appearing in the books of the Transferee Company shall stand cancelled.
- 13.1.5 The excess/deficit of the fair value of net assets pertaining to the Demerged Undertaking 1, vested in the Transferee Company and the fair value of equity shares issued as per clause 13.1.3, after considering the effect of clause 13.1.2 above, shall be adjusted to the capital reserve/ goodwill of the Transferee Company, as applicable.
- 13.1.6 In case of any difference in accounting policy between the Demerged Undertaking 1 of the Transferor Company 1 and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

14. REMAINING BUSINESS OF TRANSFEROR COMPANY 1

- 14.1 The Remaining Business of the Transferor Company 1 and all the assets, properties, rights, liabilities and obligations pertaining thereto, shall continue to belong to and be vested in and be managed by Transferor Company 1 and Transferee Company shall have no right, claim or obligation in relation to the Remaining Business of Transferor Company 1.
- 14.2 All the legal, taxation and other proceedings whether civil or criminal (including before any statutory authority or quasi-judicial authority or tribunal) by or against Transferor Company 1 under any statute, whether relating to the period prior to or after the



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Appointed Date and whether pending on the Appointed Date or which may be instituted in the future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining business of Transferor Company 1 (including those relating to any property, right, power or liability, obligation or duty of Transferor Company 1 in respect of the Remaining Business of Transferor Company 1 and any income tax liability) shall be continued and enforced by or against Transferor Company 1 even after the Effective Date.

14.3 Up to and including the Effective Date

- a. Transferor Company 1 shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business of the Transferor Company 1 for and on its own behalf.
- b. All profits accruing to the Remaining Business of Transferor Company 1 or losses arising or incurred to the Remaining Business of Transferor Company 1 (including the effect of taxes, if any, thereon) shall for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company 1; and
- c. All assets and properties acquired in relation to Remaining Business of Transferor Company 1 on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company 1.

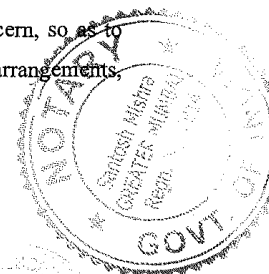
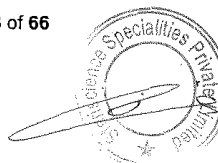
**Part III – DEMERGER AND VESTING OF DEMERGED UNDERTAKING 2 OF
THE TRANSFEROR COMPANY 2 INTO THE TRANSFEREE COMPANY**

15. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

- 15.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Demerged Undertaking 2 shall, without any further act, instrument or deed, be transferred to, and be vested in or be deemed to have been transferred to and vested in Transferee Company, as a going concern, so as to become on an from the Appointed Date, the assets, liabilities, contracts, arrangements,



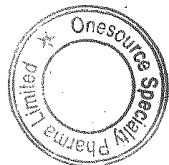
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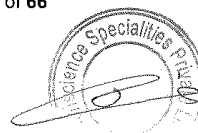
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employees, permits, records, etc. of Transferee Company by virtue of operation of law and in the manner provided in this Scheme.

- 15.2 In respect of such of the assets and properties forming part of the Demerged Undertaking 2 which are movable in nature (including but not limited to all intangible assets and intellectual properties) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Transferor Company 2 to Transferee Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of Transferee Company without requiring any deed or instrument of conveyance for transfer of the same.
- 15.3 Subject to clause 15.4 below, with respect to the assets of the Demerged Undertaking 2 other than those referred to in clause 15.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company 2, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of Transferee Company. With regard to the licenses of the properties, Transferee Company will enter into novation agreements, if it is so required.
- 15.4 In respect of such of the assets and properties forming part of the Demerged Undertaking 2 which are immovable in nature, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, same shall stand transferred to and be vested in Transferee Company with effect from the Appointed Date, without any act or deed done by the Transferor Company 2 or Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The



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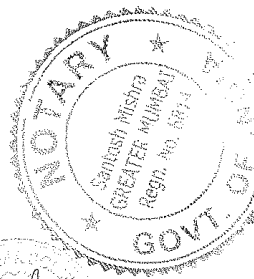
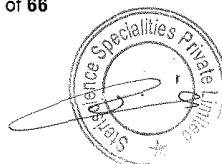
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mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company 2 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.

- 15.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 2 in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in Transferee Company, if Transferee Company so decides, the Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 15.6 Upon the Scheme coming into effect and with effect from the Appointed Date, all rights entitlements, licenses, applications and registrations relating to copyrights, trademarks, service marks, brand names, logos, patents and other intellectual property rights of every kind and description, whether registered or unregistered or pending registration, and the goodwill arising therefrom, relating to the Demerged Undertaking 2, to which either the Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be / was eligible or entitled, shall become the rights, entitlement or property of Transferee Company and shall be enforceable by or against Transferee Company, as fully and effectually as if, instead of the Transferor Company 2, Transferee Company had been a party or beneficiary or obligee thereto or the holder or owner thereof.
- 15.7 Upon effectiveness of the Scheme,

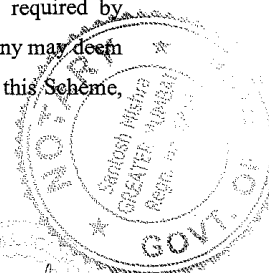
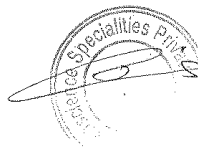


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- a. The Transferor Company 2 may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit relating to the Demerged Undertaking 2 stands transferred to and vested in Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes.
- b. all liabilities relating to and comprised in the Demerged Undertaking 2 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 2 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations of Demerged Undertaking 2, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, without any further act, instrument, deed, matter or thing.
- c. If the Transferor Company 2 is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes (including production linked incentive schemes) and policies or concessions relating to the Demerged Undertaking 2 under any Tax Law or Applicable Law, Transferee Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Transferor Company 2, the portion which will be attributed to the Demerged Undertaking 2 and be transferred to Transferee Company shall be determined by the Board of the Transferor Company 2 in accordance with the Applicable Law.
- d. Subject to clause 27 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 2, the Transferor Company 2 shall, if so required by Transferee Company, issue notices in such form as Transferee Company may deem fit and proper, stating that pursuant to the NCLT having sanctioned this Scheme,



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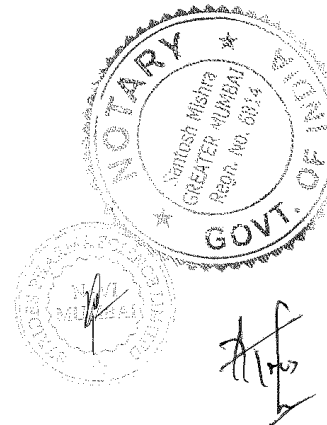
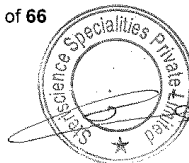
the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company 2 to recover or realise the same stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

- e. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Transferee Company and are in relation to or in connection with the Demerged Undertaking 2, shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company, if and when presented by Transferee Company.
- f. The Transferee Company shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any Law or otherwise execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking 2 to which the Transferor Company 2 has been a party, in order to give formal effect to the above provisions.
- g. Upon the Scheme coming into effect on the Effective Date and with effect from Appointed Date, in relation to the assets forming part of the Demerged Undertaking 2, if any, separate documents are required for vesting of such assets in the Transferee Company, or which the Transferor Company 2 and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company 2 and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- h. It is hereby clarified that if any assets of the Demerged Undertaking 2, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 2 shall hold such asset in trust for the benefit of the Transferee Company and thereafter the Parties shall mutually agree on the mechanism to transfer the same.

16. ENCUMBRANCES



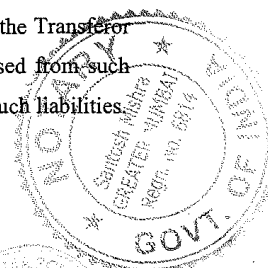
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- 16.1 The transfer and vesting of the assets comprised in the business of the Demerged Undertaking 2 of the Transferor Company 2, to and in the Transferee Company under clause 15 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 16.2 In so far as any Encumbrance in respect of liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Demerged Undertaking 2 which have been Encumbered in respect of the liabilities as transferred to Transferee Company pursuant to the Scheme. Provided that if any of the assets comprised in the Demerged Undertaking 2 which are being transferred to Transferee Company pursuant to this Scheme have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered, and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above.
- 16.3 All the existing securities, mortgages, charges, Encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company 2 after the Appointed Date, over the assets comprised in the business of the Demerged Undertaking 2 of the Transferor Company 2, or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company 2, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- 16.4 In so far as the assets comprised in the Demerged Undertaking 2 are concerned, the Encumbrance over such assets relating to any liabilities which are not transferred to the Transferee Company pursuant to this Scheme and which continue with the Transferor Company 2 shall without any further act, instrument or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.



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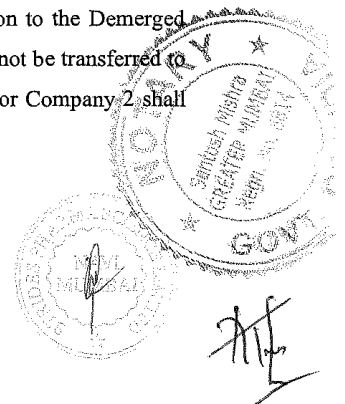
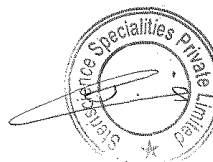


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- 16.5 It is expressly provided that, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or to the extent guarantees are replaced or otherwise by necessary implication.
- 16.6 The provisions of this clause 16 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

17. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

- 17.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to Demerged Undertaking 2 to which the Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company 2, the Transferee Company had been a party or beneficiary or obligee thereto.
- 17.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company 2 is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 17.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking 2 to which the Transferor Company 2 is a party, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company 2 shall

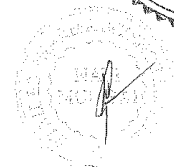
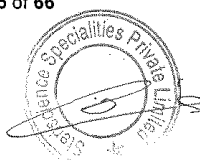
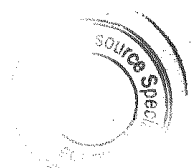


hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company and Parties shall mutually agree on the mechanism for transfer of the same thereafter.

- 17.4 Upon the Scheme coming into effect and with effect from Appointed Date, all consents, agreements, permissions, statutory or regulatory licenses, certificates, insurance covers, clearances, authorities and power of attorney given by, issued to or executed in favour of the Transferor Company 2 in relation to the Demerged Undertaking 2, shall stand transferred to the Transferee Company in accordance with Applicable Laws, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company 2 in relation to the Demerged Undertaking 2 are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company 2, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

18. EMPLOYEES AND STAFF

- 18.1 Upon the Scheme becoming effective and with effect from the Effective Date, Transferee Company undertakes to engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking 2, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 2. Transferee Company undertakes to continue to abide by any agreement / settlement or arrangement entered into or deemed to have been entered into by the Transferor Company 2 with any of the aforesaid employees or union representing them. Transferee Company agrees that the services of all such employees of the Transferor Company 2 prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose



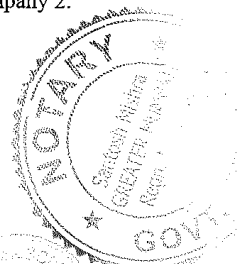
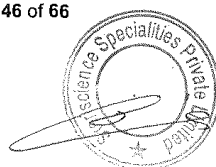
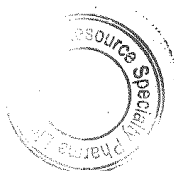
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of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking 2 shall be decided by the Board of Directors of Transferor Company 2, and such decision shall be final and binding on all concerned Parties.

- 18.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authority, by Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 2.

18.3 **Employee Stock Options:**

- 18.3.1 Upon the Scheme becoming effective, the Transferee Company shall formulate a new employee stock option plan in accordance with the provisions of Applicable Law ("**Transferee Company New ESOP Plan**"). The number of shares forming part of the Transferee Company New ESOP Plan shall be determined basis the Share Entitlement Ratio 2 as mentioned in clause 20 of this Scheme.
- 18.3.2 The Transferor Company 2 will adopt an employees stock option plan prior to the filing of the Scheme with the NCLT, and the concerned employees of the Demerged Undertaking 2, who are covered by such employees stock option plan of the Transferor Company 2, will upon the transfer of their employment with the Transferee Company, be governed by the provisions of Transferee Company New ESOP Plan, on a continuity of services basis and therefore their grant, vesting period and exercise period will be reckoned from the date of adoption of the employees stock option plan by the Board of the Transferor Company 2.



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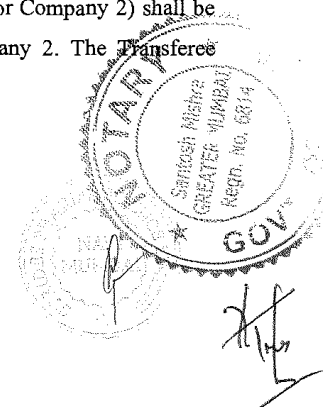
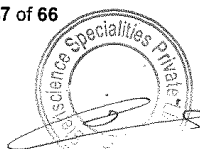
- 18.4 With effect from the date of filing of the Scheme with the NCLT and up to and including the Effective Date, neither the Transferor Company 2 nor the Transferee Company shall vary the terms and conditions of employment of any of the employees pertaining to the Demerged Undertaking 2 except in the ordinary course of business or without the prior consent of the Board of Directors of Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company 2.

19. LEGAL PROCEEDINGS

- 19.1 Upon coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) ("Proceedings") by or against the Transferor Company 2 under any statute, pending on the Appointed Date, relating to the Demerged Undertaking 2, shall be continued and enforced by or against the Transferee Company after the Effective Date. To the extent such Proceedings cannot be taken over by the Transferee Company, the Proceedings shall be pursued by the Transferor Company 2 as per the instructions of and entirely at the costs and expenses of the Transferee Company. In the event that such liability is incurred or such claim or demand is made upon the Transferor Company 2 pertaining to the Demerged Undertaking 2, then the Transferee Company shall reimburse and indemnify the Transferor Company 2 for any payments made in relation to the same. The Transferor Company 2 and the Transferee Company shall take appropriate steps in the respective court or forum of the Proceedings before which they are pending to appropriately substitute the name of the plaintiff, defendant, petitioner, respondent or other in the cause title respectively from that of the Transferor Company 2 to the name of the Transferee Company, on due approval or sanction of such court or forum as appropriate.
- 19.2 Any Proceedings by or against the Transferor Company 2 under any statute, pending on the Appointed Date, whether or not in respect of any matter arising before the Effective Date relating to the Remaining Business of Transferor Company 2 (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company 2 in respect of the Remaining Business of Transferor Company 2) shall be continued and enforced by or against the Transferor Company 2. The Transferee



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Company shall in no event be responsible or liable for or in relation to any such Proceeding by or against the Transferor Company 2.

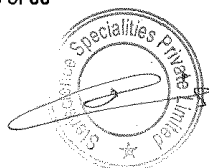
20. CONSIDERATION

- 20.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Demerged Undertaking 2 of Transferor Company 2 with the Transferee Company pursuant to this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis, to each member of the Transferor Company 2, whose name is recorded in the register of members as member of the Transferor Company 2 as on the Record Date 2, as follows:

Share Entitlement Ratio 2:

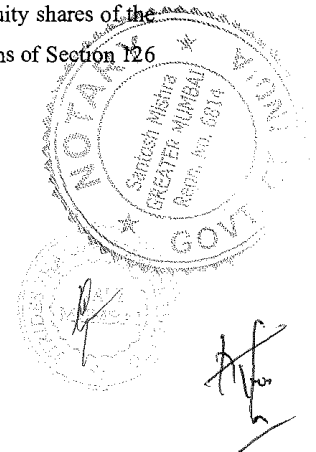
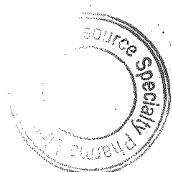
"1,515 (One Thousand Five Hundred and Fifteen) equity shares of Transferee Company (of INR 1/- each fully paid up) for every 1 (One) equity shares of Transferor Company 2 (of INR 10/- each fully paid up)."

- 20.2 The equity shares to be issued and allotted pursuant to the demerger of the Demerged Undertaking 2 into the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 20.3 Subject to Applicable Laws, the equity shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository, in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the shares in terms of this Scheme.



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- 20.4 For the purpose of the allotment of the shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number. Such consolidated shares shall be issued to and held by the Trust (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, for the benefit of the respective shareholders of the Transferee Company to whom they belong ("Record Date 2 Shareholders") for the specific purpose of selling such shares in the market at such price or prices and at such time or times, within a period of 90 days from the date of allotment of shares, as the trust may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the nearest Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements. To the extent any Record Date 2 Shareholder requires any consents, approvals or waivers (including any governmental approvals under applicable law) to receive such consideration, such shareholder shall be liable to procure the same prior to any distributions being made by the trust.
- 20.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 2, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 2, after the Scheme becoming effective.
- 20.6 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 2 which are held in abeyance under the provisions of Section 126

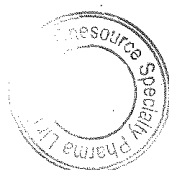


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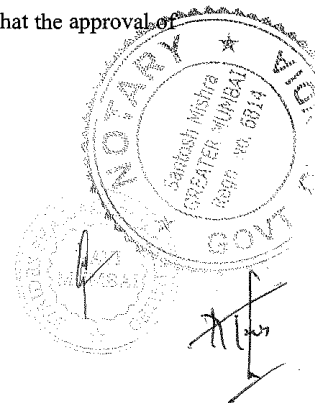
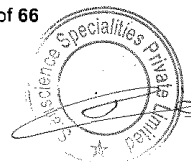
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of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.

- 20.7 If necessary, the Transferee Company shall before allotment of the Equity Shares of Transferee Company in term of the Scheme, increase, reclassify, and/or restructure its authorised share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 20.8 In the event, any or all of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in clause 20.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 20.9 Upon the issuance and allotment of equity shares pursuant to the Scheme, the Transferee Company shall take necessary steps, including the filling of the applications with Stock Exchange, for the purpose of listing of the equity shares of the Transferee Company on such recognized Stock Exchange, in accordance with the Applicable Laws.
- 20.10 The shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 20.11 There shall be no change in the shareholding pattern or control in Transferee Company between the Record Date 2 and the listing which may affect the status of the approvals received from the Stock Exchange.
- 20.12 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.
- 20.13 The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 2 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of



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the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.

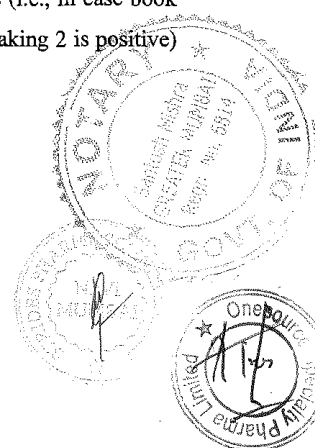
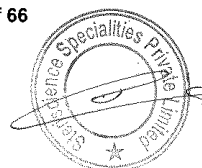
- 20.14 The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the Securities Act and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLT to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

21. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 2

- 21.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the demerger of the Demerged Undertaking 2 from the Transferor Company 2 to the Transferee Company shall be accounted for, in the books of the Transferor Company 2, in accordance with Appendix A of Ind AS 10 'Distribution of Non-Cash Assets to Owners' read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, other Indian accounting standards and other generally accepted accounting principles as applicable.

22. REDUCTION OF SECURITIES PREMIUM IN THE BOOKS OF TRANSFEROR COMPANY 2

- 22.1 The Transferor Company 2 shall debit the book value of net assets (i.e., in case book value of assets minus book value of liabilities of Demerged Undertaking 2 is positive) to the securities premium of the Transferor Company 2.



22.2 The adjustment to the securities premium (as per clause 22.1 above) shall be effected as an integral part of the Scheme, pursuant to the order of the NCLT sanctioning this Scheme, under Section 230 of the Act. The order of the NCLT sanctioning this Scheme shall also include approval and confirmation of such reduction in the securities premium of the Transferor Company 2 to the extent so required. Accordingly, as provided in the second explanation in Section 230 of the Act, the provisions of Section 66 of the Act shall not apply to such reduction of securities premium of the Transferor Company 2, effected in pursuance of the said order of the NCLT. Notwithstanding the reduction in the securities premium of the Transferor Company 2, the Transferor Company 2 shall not be required to add "And reduced" as a suffix to its name.

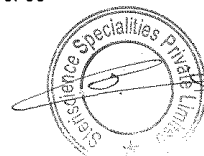
23. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFeree COMPANY

23.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the demerger of the Demerged Undertaking 2 from the Transferor Company 2 to the Transferee Company shall be accounted for, in the books of the Transferee Company, in accordance with the Indian Accounting Standard 103 - Business Combinations and other applicable generally accepted accounting principles.

23.2 Upon the Scheme becoming effective, the intercompany balances between the Transferee Company and the Demerged Undertaking 2 of the Transferor Company 2, if any appearing in the books of the Transferee Company shall stand cancelled.

23.3 In case of any difference in accounting policy between the Demerged Undertaking 2 of the Transferor Company 2 and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

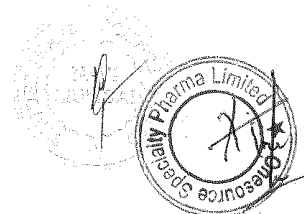
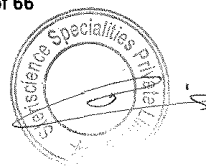
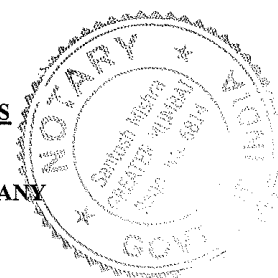
24. REMAINING BUSINESS OF TRANSFEROR COMPANY 2



- 24.1 The Remaining Business of the Transferor Company 2 and all the assets, properties, rights, liabilities and obligations pertaining thereto, shall continue to belong to and be vested in and be managed by Transferor Company 2 and Transferee Company shall have no right, claim or obligation in relation to the Remaining Business of Transferor Company 2.
- 24.2 All the legal, taxation and other proceedings whether civil or criminal (including before any statutory authority or quasi-judicial authority or tribunal) by or against Transferor Company 2 under any statute, whether relating to the period prior to or after the Appointed Date and whether pending on the Appointed Date or which may be instituted in the future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining business of Transferor Company 2 (including those relating to any property, right, power or liability, obligation or duty of Transferor Company 2 in respect of the Remaining Business of Transferor Company 2 and any income tax liability) shall be continued and enforced by or against Transferor Company 2 even after the Effective Date.
- 24.3 Up to and including the Effective Date
- a. Transferor Company 2 shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business of the Transferor Company 2 for and on its own behalf.
 - b. All profits accruing to the Remaining Business of Transferor Company 2 or losses arising or incurred to the Remaining Business of Transferor Company 2 (including the effect of taxes, if any, thereon) shall for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company 2; and
 - c. All assets and properties acquired in relation to Remaining Business of Transferor Company 2 on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company 2.

PART IV - GENERAL TERMS AND CONDITIONS

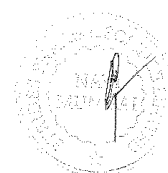
25. REDUCTION OF SHARE CAPITAL OF TRANSFEE COMPANY



- 25.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the equity shares of the Transferee Company held by the Transferor Company 1 shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of the face value of such shares.
- 25.2 The reduction of the share capital of Transferee Company (as per clause 25.1 above) and adjustment against securities premium of Transferee Company (as per clause 13.1.2 above) shall be effected as an integral part of the Scheme, pursuant to the order of the NCLT sanctioning this Scheme. The order of the NCLT sanctioning this Scheme shall also include approval and confirmation of such reduction in the share capital and securities premium of the Transferee Company to the extent so required. Accordingly, as provided in the second Explanation in Section 230 of the Act, the provisions of Section 66 of the Act shall not apply to such reduction of share capital and securities premium of the Transferee Company, effected in pursuance of the said order of the NCLT. Notwithstanding the reduction in the share capital of the Transferee Company, the Transferee Company shall not be required to add "And reduced" as a suffix to its name.

26. INTER-SE TRANSACTIONS

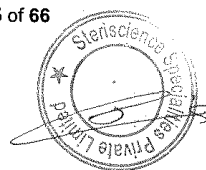
- 26.1 With effect from the Appointed Date, all inter-party transactions between the Transferor Company 1 (in relation to the Demerged Undertaking 1), Transferor Company 2 (in relation to the Demerged Undertaking 2) and Transferee Company, shall be considered as intra-party transactions for all purposes from the Appointed Date, and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.
- 26.2 Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company, on its own account and



therefore, the Transferee Company, will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

27. COMPLIANCE WITH TAX LAWS

- 27.1 The Scheme has been drawn up in compliance with the conditions relating to 'Demerger' as specified under Section 2(19AA) of the IT Act.
- 27.2 If any of the terms or provisions of the Scheme is / are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the IT Act at a later date, including resulting from an amendment of Law or for any other reason whatsoever, the provisions of Section 2(19AA) of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(19AA) of the IT Act, 1961. Such modifications will however not affect the other parts of the Scheme.
- 27.3 On or after the Effective Date, the Companies are expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), Service Tax law, VAT law, Goods and Service Tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit) and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.
- 27.4 All tax assessment proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Company 1 (relating to the Demerger Undertaking 1) and the Transferor Company 2 (relating to the Demerger Undertaking 2), arising on or after the respective Appointed Date and relating to the Transferor Company 1 (relating to the Demerger Undertaking 1) and the Transferor Company 2 (relating to the Demerger Undertaking 2) shall be continued and

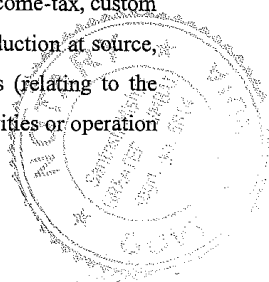
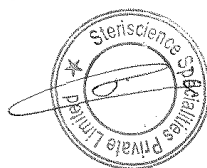


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/ or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company 1 (relating to the Demerger Undertaking 1) and the Transferor Company 2 (relating to the Demerger Undertaking 2).

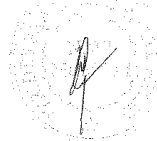
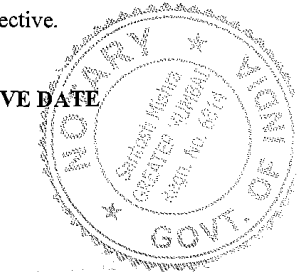
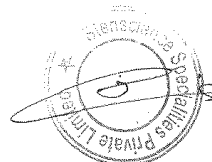
- 27.5 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of anything contained in the Scheme.
- 27.6 Any tax liabilities including but not limited to liabilities under the IT Act, Foreign Tax Credit, Tax Treaties, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other Applicable Laws / regulations dealing with taxes / duties / levies allocable or related to the Transferor Companies (relating to the respective Demerged Undertaking), to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 27.7 Any refund including but not limited to refund under the IT Act, Foreign Taxes, Customs Act 1962, Service Tax laws, Value Added Tax laws, Goods and Service Tax laws or other Applicable Laws / regulations dealing with taxes / duties / levies allocable or related to the Transferor Companies (relating to the respective Demerged Undertaking), consequent to the assessment made on the Transferor Companies (relating to the respective Demerged Undertaking), and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 27.8 All taxes including income-tax, foreign taxes, custom duty, service tax, goods and service tax, etc. paid or payable by the Transferor Companies (relating to the respective Demerged Undertaking), in respect of their operations and / or the profits of the business before the Appointed Date, shall be on account of the Transferor Companies, and, in so far as it relates to the tax payment (including, without limitation, income-tax, custom duty, service tax, goods and service tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies (relating to the respective Demerged Undertaking), in respect of their profits or activities or operation



of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

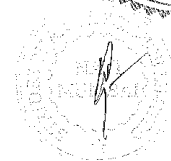
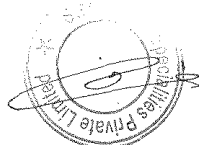
- 27.9 Further, any tax deducted at source by the Transferor Companies (relating to the respective Demerged Undertaking) and Transferee Company, on account of inter-se transactions which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 27.10 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies (relating to the respective Demerged Undertaking), including but not limited to obligation under the IT Act, Service Tax laws, Customs law, Goods and Service tax law or other Applicable Laws / regulations dealing with taxes / duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 27.11 Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income tax, excise duty, service tax, applicable state value added tax, cenvat credit, goods and service tax credit, etc.) to which the Transferor Companies (relating to the respective Demerged Undertaking) are entitled, shall be available to and vest in the Transferee Company, if eligible as per the provisions of the IT Act on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, the Transferee Company, will be entitled to avail Cenvat Credit / Goods and Service Tax Credit after the Appointed Date in respect of all duties / taxes where the documents are in the name of the Transferor Companies (relating to the respective Demerged Undertaking). Further, licenses issued to the Transferor Companies (relating to the respective Demerged Undertaking), by any regulatory authorities, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to the Transferee Company upon the Scheme becoming effective.

28. **CONDUCT OF BUSINESS UNTIL AND AFTER THE EFFECTIVE DATE**



In respect of respective Demerged Undertaking of Transferor Company 1 and Transferor Company 2

- 28.1 With effect from the Appointed Date and upto and including the Effective Date,
- 28.1.1 The Transferor Company 1 and Transferor Company 2 shall carry on and be deemed to have carried on its business and activities relating to the respective Demerged Undertaking, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its business relating to the respective Demerged Undertaking, for and on account of and in trust for the Transferee Company;
- 28.1.2 All the profits or income accruing or arising to, or expenditure or losses incurred by, the Transferor Company 1 and Transferor Company 2, relating to the respective Demerged Undertaking, shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- 28.1.3 The Transferor Company 1 and Transferor Company 2, shall carry on their business and activities relating to the respective Demerged Undertaking with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof relating to the respective Demerged Undertaking except in the ordinary course of business without the prior consent of the Transferee Company.
- 28.1.4 All taxes (including income tax, GST, Customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company 1 and Transferor Company 2 in respect of the operations and / or the profits of the business relating to the respective Demerged Undertaking before the Appointed Date, shall be on account of the Transferor Company 1 and Transferor Company 2, respectively and, insofar as it relates to the tax payment (including, without limitation, income tax, GST, Customs duty, service tax, VAT, etc.) whether by way of deduction at source, advance tax or otherwise however, by the Transferor Company 1 and Transferor Company 2 in respect of the profits or activities or operations of its business



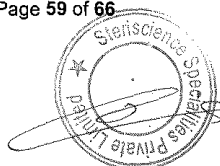
relating to the respective Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

28.1.5 Any of the rights, powers, authorities or privileges attached, related or forming part of the respective Demerged Undertaking, exercised by Transferor Company 1 or Transferor Company 2 as the case may be, shall be deemed to have been exercised by Transferor Company 1 and Transferor Company 2, respectively, for and on behalf of, and in trust for and as an agent of Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the respective Demerged Undertaking that have been undertaken or discharged by Transferor Company 1 and Transferor Company 2 shall be deemed to have been undertaken/ discharged for and on behalf of Transferee Company.

28.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferor Company 1 and Transferor Company 2 may require to carry on the business relating to the respective Demerged Undertaking.

28.3 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follow:

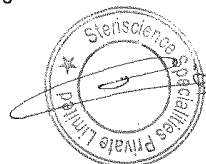
28.3.1 With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) in the name of the Transferee Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1 and Transferor Company 2 (relating to the respective



Demerged Undertaking) after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

28.3.2 With effect from the Effective Date, the Transferee Company shall be entitled to use all packed/ labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, other publicity material, etc. lying unused with the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) or its vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company 1 and Transferor Company 2 are entitled to use under any statutes/ regulations, till such time as all of such stock exhaust without making any amendment on those goods or materials.

28.3.3 With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of product, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking) is transferred, recorded, effected and/or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of the respective Demerged Undertaking in the name and style of the respective Demerged Undertaking as carried on by the Transferor Company 1 and Transferor Company 2 and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company 1 and Transferor Company 2, respectively. Further, during such period, Transferee Company can procure or



use or manufacture, all material and product including packed/ labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, other publicity material, etc. in the name and form/format of the Transferor Company 1 and Transferor Company 2 (relating to the respective Demerged Undertaking).

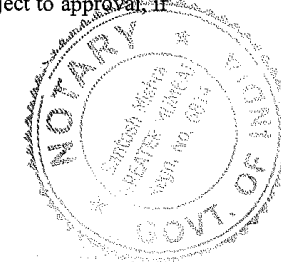
29. **VALIDITY OF RESOLUTIONS**

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and/or shareholders of the Transferor Companies, as are considered necessary by the Board of Directors of the Transferee Company, and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company, and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits if any, under like resolutions passed by the Board of Directors and/or the shareholders of the Transferee Company, and shall constitute the aggregate of the said limits in the Transferee Company.

30. **DIVIDENDS**

- 30.1 The Companies shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.
- 30.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Companies, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Companies, and subject to approval, if required, of the shareholders of the Companies.

31. **CHANGE IN CAPITAL STRUCTURE OF THE COMPANIES**

31.1 Without prejudice to the generality of this Scheme, during the period between the date of approval of the Scheme by the respective Boards and upto and including the date of allotment of shares pursuant to this Scheme, none of the Companies shall make any change in its capital structure, whether by way of increase (including by issue of equity shares on a rights basis, issue of bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in any other manner which may, in any way, affect the issuance of shares as per clauses 11 and 20, except under any of the following circumstances:

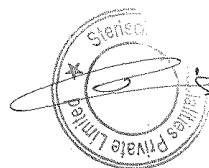
- (a) by mutual written consent of the respective Boards of the Companies; or
- (b) exercise of employee stock options granted under existing stock option schemes of the Companies; or
- (c) issue of shares by the Transferee Company to institutional investor(s) for fund raising of upto INR 850,00,00,000 (Indian Rupees Eight Hundred and Fifty Crores) ("Proposed Fund Raise Amount"), at a per share price of not less than INR 695 (Indian Rupees Six Hundred and Ninety-Five). The share capital of the Transferee Company in the event of such fund raising will be diluted accordingly to the extent of the funds raised. Such issue of shares will not change the swap ratio as specified in the Scheme; or
- (d) as may otherwise be expressly permitted under this Scheme.

32. APPLICATION TO THE TRIBUNAL

The Companies, with all reasonable dispatch, shall make necessary applications / petitions jointly and / or severally before the Tribunal for the sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act.

33. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 33.1 The Companies, through their respective Board of Directors, may make and / or consent to any modifications / amendments to this Scheme or to any conditions or limitations that the Tribunal or any other authority may deem fit to direct or impose or which may



otherwise be considered necessary, desirable or appropriate by them or the Board, including the withdrawal of this Scheme or part thereof. The Board of Directors of the Companies shall take all such steps as may be necessary, desirable, or proper to resolve any doubts, difficulties or questions, including interpretation of the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith. The power of the Boards of Directors to modify / amend the Scheme shall be subject to the approval of the Tribunal.

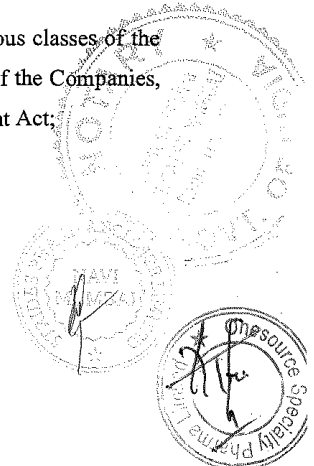
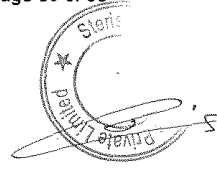
- 33.2 If any part of this Scheme hereof is invalid, ruled illegal by the Tribunal, or unenforceable under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Companies, then in such case the Companies, shall attempt to bring about a modification in the Scheme, as will best preserve, for the Companies, the benefits, and obligations of the Scheme, including but not limited to such part.

34. SAVING OF CONCLUDED TRANSACTIONS

Anything contained in the Scheme, shall not affect any transaction or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Companies, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company, shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Companies, as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

35. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

- 35.1 The Scheme is conditional upon and subject to:
- 35.1.1 the approval of the Scheme by the requisite majority of various classes of the respective members and creditors and such class of persons of the Companies, as required in terms of the applicable provisions of the relevant Act;



- 35.1.2 the approval of the scheme by the shareholders of the Transferor Company 1 through e-voting and / or other mode as may be required under any Applicable Law and the SEBI circular. The scheme is conditional upon approval by the public shareholders of the Transferor Company 1 through e-voting in terms of para 10(b) of Part I of SEBI Circular and the Scheme shall be acted upon only if votes cast by the public shareholders of the Transferor Company 1 in favour of the proposal are more than the number of votes cast by the public shareholders of the Transferor Company 1 against it.
- 35.1.3 the sanction of the Tribunal, being obtained under Sections 230 to 232 and other applicable provisions of the Act, if so, required on behalf of the Companies.
- 35.1.4 the certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies;
- 35.1.5 approval of Appropriate Authorities (including Securities and Exchange Board of India) and receipt of 'No-Objection letter' from Stock Exchange where such approval or consent is necessary; and
- 35.1.6 all other sanctions and approvals as may be required by law in respect of this Scheme being obtained, where such approval or consent is necessary.

36. COSTS

All costs, charges, levies and expenses of the Companies, in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferee Company, unless otherwise determined by the Boards of Directors of the Companies.

37. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking 1 of the Transferor Company 1 and Demerged Undertaking 2 of the Transferor Company 2 are transferred,



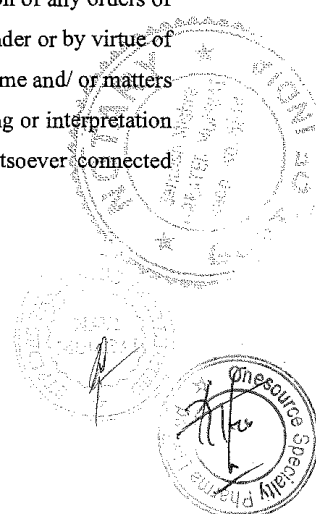
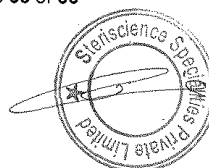
vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Transferee Company, such company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the relevant Parties, the Transferor Companies will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company.

38. SEVERABILITY

- 38.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 38.2 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

39. REMOVAL OF DIFFICULTIES

- 39.1 The Companies, through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected

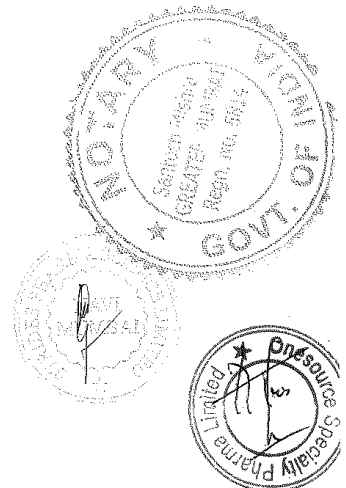
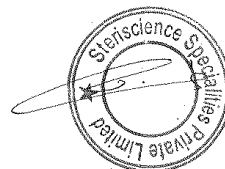


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therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

40. **BINDING EFFECT**

Upon the Scheme becoming effective, the same shall be binding on all the Companies, Appropriate Authority and all concerned parties without any further act, deed, matter or thing.



B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Board of Directors of Strides Pharma Science Limited Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Strides Pharma Science Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint venture for the year ended 31 March 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial information of the subsidiaries and associates, the aforesaid consolidated annual financial results:

- include the annual financial results of the entities mentioned in Annexure I of this audit report
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive loss and other financial information of the Group for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, its associates and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 along with the consideration of reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group including its associates and joint venture in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)**Strides Pharma Science Limited**

respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 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 annual financial results 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 annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

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

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 annual financial results, 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to 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 in the consolidated annual financial results 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results,

Independent Auditor's Report (Continued)**Strides Pharma Science Limited**

including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint venture to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, 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. Our responsibilities in this regard are further described in sub paragraph (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter(s)

- a. The consolidated annual financial results include the audited financial results of 5 subsidiaries, whose financial information reflects total assets (before consolidation adjustments) of Rs. 35,130 million as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 27,903 million and total net profit after tax (before consolidation adjustments) of Rs. 1,400 million and net cash outflows (before consolidation adjustments) of Rs 1,553 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditor. The consolidated annual financial results also include the Group's share of total net loss after tax of Rs. 1,249 million for the year ended 31 March 2024, as considered in the consolidated annual financial results, in respect of 2 associates, whose financial information have been audited by their respective independent auditor. The independent auditor's reports on financial information of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated annual financial results include the unaudited financial results of 27 subsidiaries, whose financial information reflects total assets (before consolidation adjustments) of Rs. 26,904 million as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 3,848 million, total net loss after tax (before consolidation adjustments) of Rs. 530 million and net cash inflows (before consolidation adjustments) of Rs 40 million for the year ended on that date, as considered in the consolidated annual financial results. These unaudited financial information have been furnished to us by the Board of Directors. The consolidated annual financial results also include the Group's share of total net loss after tax of Rs. 9 million for the year ended 31 March 2024, as considered in the consolidated annual financial results, in respect of 6 associates and a joint venture. These

Independent Auditor's Report (Continued)
Strides Pharma Science Limited

unaudited financial information have been furnished to us by the Board of Directors.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture is based solely on such financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to the financial information certified by the Board of Directors.

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

SAMPAD GUHA
THAKURTA

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Sampad Guha Thakurta

Partner

Bangalore

22 May 2024

Membership No.: 060573

UDIN:24060573BKFGOX5243

Independent Auditor's Report (Continued)

Strides Pharma Science Limited

Annexure I

List of entities included in consolidated annual financial results.

Sl. No	Name of component	Relationship
1	Altima Innovations Inc., United States	Subsidiary
2	Apollo Life Sciences Holdings Proprietary Limited, South Africa	Subsidiary
3	Aponia Laboratories Inc., United States	Associates
4	Arco Lab Private Limited, India	Subsidiary
5	Arrow Life Sciences (Malaysia) SDN. BHD., Malaysia	Subsidiary
6	Beltapharm S.P.A., Italy	Subsidiary
7	Biolexis Private Limited, India	Associates
8	Biolexis Pte. Ltd., Singapore	Associates
9	ERIS Pharma GmbH, Germany	Subsidiary (Divested w.e.f 30 January 2024)
10	Strides Pharma International AG, Switzerland (formerly, Fairmed Healthcare AG, Switzerland)	Subsidiary
11	Fairmed Healthcare GmbH, Germany	Subsidiary
12	Generic Partners UK Ltd, United Kingdom	Subsidiary
13	Neviton Softech Private Limited, India	Subsidiary (Associate upto 4 January 2024)
14	Neviton Technologies Inc., USA	Subsidiary (Associate upto 4 January 2024)
15	Pharmapar Inc., Canada	Subsidiary
16	The Regional Bio Equivalence Centre S.C, Ethiopia	Associates
17	Sihuan Strides (HK) Ltd., Hong Kong	Joint venture
18	Stelis Biopharma (Malaysia) SDN. BHD., Malaysia	Subsidiary
19	Onesource Specialty Pharma Limited, India (formerly, Stelis Biopharma Limited, India)	Associates
20	Stelis Biopharma UK Private Limited, UK	Associates
21	Stelis Pte. Ltd, Singapore	Associates
22	Strides Alathur Private Limited, India (formerly, Vivimed Life Sciences Private Limited, India)	Subsidiary
23	Strides Arcolab International Ltd., United Kingdom	Subsidiary

Independent Auditor's Report (Continued)**Strides Pharma Science Limited**

Sl. No	Name of component	Relationship
24	Strides CIS Limited, Cyprus	Subsidiary
25	Strides Foundation Trust, India	Trust
26	Strides Life Sciences Limited, Nigeria	Subsidiary
27	Strides Netherlands B.V., Netherlands	Subsidiary
28	Strides Nordic ApS, Denmark	Subsidiary
29	Strides Pharma (Cyprus) Limited, Cyprus	Subsidiary
30	Strides Pharma (SA) Pty Ltd., South Africa	Subsidiary
31	Strides Pharma Asia Pte. Ltd., Singapore	Subsidiary
32	Strides Pharma Canada Inc, Canada	Subsidiary
33	Strides Pharma Global (UK) Limited, United Kingdom	Subsidiary
34	Strides Pharma Global Pte. Limited, Singapore	Subsidiary
35	Strides Pharma Inc., United States	Subsidiary
36	Strides Pharma International Limited, Cyprus	Subsidiary
37	Strides Pharma Science Limited, India	Holding
38	Strides Pharma Science Pty Ltd, Australia	Subsidiary
39	Strides Pharma Services Private Limited, India	Subsidiary
40	Strides Pharma UK Ltd, United Kingdom	Subsidiary
41	Strides Pharma Latina, SA de CV, Mexico	Subsidiary (Divested w.e.f 31 March 2024)
42	Strides Softgels Pte. Ltd., Singapore	Subsidiary
43	SVADS Holdings SA, Switzerland	Subsidiary
44	Trinity Pharma (Pty) Limited, South Africa	Subsidiary
45	UCL Brands Limited, Kenya	Subsidiary
46	Universal Corporation Limited, Kenya	Associates
47	Vensun Pharmaceuticals, Inc., United States	Subsidiary



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC037062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

Sl. No.	Particulars	3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Rs. in Million Previous year ended March 31, 2023
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)
I	Continuing operations					
	Revenue from operations	10,840.35	10,376.68	9,863.70	40,511.24	36,883.87
II	Other income (Refer note 16)	(135.46)	87.54	271.21	397.01	903.28
III	Total income (I + II)	10,704.89	10,464.22	10,134.91	40,908.25	37,787.15
IV	Expenses					
	(a) Cost of materials consumed	3,538.36	3,751.28	2,684.05	13,411.13	14,416.81
	(b) Purchases of stock-in-trade	1,126.42	506.64	685.87	2,834.49	1,878.70
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(502.53)	(45.50)	637.07	159.43	(26.66)
	(d) Employee benefits expense	1,991.69	1,844.94	1,756.61	7,511.25	7,320.23
	(e) Finance costs	801.56	792.84	805.17	3,144.45	2,611.42
	(f) Depreciation and amortisation expense	497.60	512.28	609.29	2,206.83	2,432.52
	(g) Other expenses	2,389.07	2,381.21	2,544.53	9,162.30	8,992.98
	Total expenses (IV)	9,842.17	9,743.69	9,722.59	38,429.88	37,626.00
V	Profit / (loss) before exceptional items and tax (III - IV)	862.72	720.53	412.32	2,478.37	161.15
VI	Exceptional items (Refer note 4)	(80.71)	(100.67)	(73.39)	(1,890.45)	(170.32)
VII	Profit / (loss) before tax (V + VI)	782.01	619.86	338.93	587.92	(9.17)
VIII	Share of loss of joint venture and associates	(485.79)	(519.74)	(406.01)	(1,757.36)	(2,852.83)
IX	Profit / (loss) before tax (VII + VIII)	296.22	100.12	(67.08)	(1,169.44)	(2,862.00)
X	Tax expense / (benefit)					
	- Current tax	124.85	37.18	(156.65)	373.12	(316.97)
	- Deferred tax	67.66	63.84	227.52	(57.22)	(236.04)
	Total tax expense / (benefit) (X)	192.51	101.02	70.87	315.90	(553.01)
XI	Profit/(loss) after tax from continuing operations (IX - X)	103.71	(0.90)	(137.95)	(1,485.34)	(2,308.99)
XII	Discontinued operations					
	- Profit / (loss) from discontinued operations	-	-	-	-	-
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)(Refer note 14)	0.72	541.48	-	542.20	185.69
	- Tax expense of discontinued operations	-	-	-	-	-
XIII	Profit/(loss) after tax from discontinued operations	0.72	541.48	-	542.20	185.69
XIV	Profit / (loss) for the period (XI + XIII)	104.43	540.58	(137.95)	(943.14)	(2,123.30)



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

Sl. No.	Particulars	Rs. in Million			
		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED
		(1)	(2)	(3)	(4)
					(5)
XV	Other comprehensive income				
A	(i) Items that will not be reclassified to statement of profit and loss	(565.46)	3.17	(506.82)	(578.98)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	19.12	0.04	(32.93)	19.37
B	(i) Items that may be reclassified to statement of profit and loss	19.35	21.04	83.72	30.42
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	(6.10)	37.09	(51.14)	(17.85)
	Total other comprehensive income for the period (XV)	(533.09)	61.34	(507.17)	(547.04)
XVI	Total comprehensive income for the period (XIV + XV)	(428.66)	601.92	(645.12)	(1,490.18)
	Profit for the period attributable to:				
	- Owners of the Company	181.75	496.67	(95.42)	(706.14)
	- Non-controlling interests	(77.32)	43.91	(42.53)	(237.00)
		104.43	540.58	(137.95)	(943.14)
	Other comprehensive income for the period				
	- Owners of the Company	(555.24)	99.33	(496.38)	(540.70)
	- Non-controlling interests	22.15	(37.99)	(10.79)	(6.34)
		(533.09)	61.34	(507.17)	(547.04)
	Total comprehensive income for the period				
	- Owners of the Company	(373.49)	596.00	(591.80)	(1,246.84)
	- Non-controlling interests	(55.17)	5.92	(53.32)	(243.34)
		(428.66)	601.92	(645.12)	(1,490.18)
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)				
	(1) Basic (in Rs.)	1.97	(0.49)	(1.06)	(13.72)
	(2) Diluted (in Rs.)	1.97	(0.49)	(1.06)	(13.72)
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)				
	(1) Basic (in Rs.)	0.01	5.92	-	5.96
	(2) Diluted (in Rs.)	0.01	5.91	-	5.95
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)				
	(1) Basic (in Rs.)	1.98	5.43	(1.06)	(7.76)
	(2) Diluted (in Rs.)	1.97	5.42	(1.06)	(7.76)
	See accompanying notes to the Financial Results				

STRIDES PHARMA SCIENCE LIMITED

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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

CONSOLIDATED BALANCE SHEET

		Rs. in Million	
		As at	As at
		March 31, 2024	March 31, 2023
		AUDITED	AUDITED
	Particulars		
A	ASSETS		
I	Non-current assets		
	(a) Property, plant and equipment	7,891.68	11,397.40
	(b) Capital work-in-progress	798.79	482.59
	(c) Right-of-use assets	894.99	1,845.53
	(d) Investment property	118.99	125.79
	(e) Goodwill	5,294.11	5,137.58
	(f) Other Intangible assets	4,451.00	4,603.68
	(g) Intangibles assets under development	820.15	1,027.25
	(h) Investment in associates and joint ventures	1,892.97	3,859.19
	(i) Financial assets		
	(i) Investments	76.31	530.41
	(ii) Loans	500.00	-
	(iii) Other financial assets	1,916.67	408.63
	(l) Deferred tax assets (net)	2,673.46	2,650.32
	(k) Income tax assets (net)	1,135.90	1,616.96
	(f) Other non-current assets	242.54	265.26
	Total non-current assets	28,707.56	33,950.59
II	Current assets		
	(a) Inventories	11,262.40	11,465.05
	(b) Financial assets		
	(i) Investments	1,057.58	508.40
	(ii) Trade receivables	11,418.74	12,994.02
	(iii) Cash and cash equivalents	1,610.20	3,035.01
	(iv) Other balances with banks	301.46	124.62
	(v) Loans	127.34	77.80
	(vi) Other financial assets	1,195.07	917.80
	(c) Other current assets	2,717.20	2,229.80
	Total current assets	29,689.99	31,352.50
	Assets held for sale (Refer note 9)	-	1,081.11
	Total Assets	58,397.55	66,384.20

STRIDES PHARMA SCIENCE LIMITED

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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

		Rs. in Million	
	Particulars	As at March 31, 2024 AUDITED	As at March 31, 2023 AUDITED
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity share capital	919.00	903.03
	(b) Other equity	20,336.63	21,219.55
	Equity attributable to owners of the Company	21,255.63	22,122.58
	Non- Controlling interests	(538.57)	(393.75)
	Total equity	20,717.06	21,728.83
II	Liabilities		
1	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings		
	- Borrowings US revolver facility	3,676.44	5,671.99
	- Borrowings others	3,038.55	5,725.93
	(ii) Lease Liabilities	716.35	2,036.74
	(iii) Other financial liabilities	136.81	120.51
	(b) Provisions	916.30	734.20
	(c) Deferred tax liabilities (net)	403.45	445.71
	(d) Other non-current liabilities	-	18.28
	Total non-current liabilities	8,887.90	14,753.36
2	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	17,430.26	16,346.67
	(ii) Lease liabilities	307.05	514.39
	(iii) Trade payables	348.77	169.38
	(a) Total outstanding dues of micro enterprises and small enterprises and	8,167.14	9,654.05
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	730.79	960.69
	(iv) Other financial liabilities	689.17	764.80
	(b) Other current liabilities	715.25	1,224.92
	(c) Provisions	404.16	267.11
	(d) Current tax liabilities	28,792.59	29,902.01
	Total current liabilities		
	Total Equity and liabilities	58,397.55	66,384.20



STRIDES PHARMA SCIENCE LIMITED
Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.
Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024
CONSOLIDATED STATEMENT OF CASH FLOW**

Sl. No.	Particulars	Rs. in Million	
		For the current year ended March 31, 2024	For the previous year ended March 31, 2023
		AUDITED	AUDITED
A.	Cash flow from operating activities		
	Profit / (loss) before tax from:		
	Continuing operations	(1,169.44)	(2,862.00)
	Discontinued operations	542.20	185.69
		(627.24)	(2,676.31)
	Adjustments for:		
	- Depreciation and amortisation expense	2,206.83	2,432.52
	- Share of loss of joint ventures and associates	1,757.36	2,852.83
	- Gain on sale of property, plant and equipment, other intangible assets and investment property (net)	(14.32)	(41.07)
	- Share based compensation expense	15.86	13.01
	- Business combination and restructuring expenses	(24.81)	(725.47)
	- Interest expense on borrowings & others	3,144.45	2,611.42
	- Interest and dividend income	(304.26)	(745.28)
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	(542.20)	(185.69)
	- Rental income from investment property	(17.93)	(19.00)
	- Liability / provision no longer required written back	(0.76)	(8.40)
	- Loss allowance on trade receivables	175.67	344.17
	- Impairment and write down of assets	1,575.06	330.40
	- Legal expenses related to product recall and settlements	-	248.82
	- Loss/(Gain) on lease modifications	2.91	(17.20)
	- Gain on dilution of investment in associates	-	(656.07)
	- Realised exchange loss on deferred consideration	-	671.64
	- Unrealised exchange gain / (loss) (net)	208.88	(284.71)
	Operating profit before working capital changes	7,555.50	4,145.61
	Changes in working capital:		
	Decrease / (Increase) in trade and other receivables	390.90	(3,473.79)
	Decrease / (Increase) in inventories	307.04	(81.38)
	Decrease in trade and other payables	(1,485.26)	(1,022.78)
	Net change in working capital	(787.32)	(4,577.95)
	Cash generated from / (utilised in) operations	6,768.18	(432.34)
	Income taxes refund received, net	242.47	876.45
	Net cash flow generated from operating activities	7,010.65	444.11
	A		



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

CONSOLIDATED STATEMENT OF CASH FLOW

Sl. No.	Particulars	For the current year ended March 31, 2024	Rs. In Million For the previous year ended March 31, 2023
		AUDITED	AUDITED
B.	Cash flow from investing activities		
	Capital expenditure for property, plant and equipment, investment property and intangible assets, including capital advance	(1,181.51)	(949.38)
	Proceeds from sale of property, plant and equipment and intangible assets	888.06	72.58
	Short-term investments in funds	(541.91)	(508.19)
	Purchase of long-term investments including investment in associates	(151.19)	(1,062.25)
	Consideration paid towards acquisition of non-controlling interest in subsidiary and business combinations, net of cash acquired	(58.78)	-
	Proceeds from sale of investments	18.02	-
	(Outflow) / inflow on account of discontinued operations	(79.95)	182.22
	Deferred consideration received from sale of business	66.69	5,193.08
	Loan given to others	(541.69)	-
	Rent deposit given	-	(0.62)
	(Investment) / proceeds in fixed deposits with maturity of more than 3 months, net	(90.88)	9.26
	Rental income from investment property	17.93	19.00
	Interest and dividends received (net of tax on dividend)	152.71	69.04
	Net cash flow (utilised in) / generated from investing activities	(1,502.50)	3,024.74
C.	Cash flow from financing activities		
	Proceeds from issue of equity shares	13.74	13.67
	Proceeds from issue of share warrants	513.00	371.00
	Proceeds from long-term borrowings	1,073.17	3,304.00
	Repayment of long-term borrowings	(7,342.20)	(2,550.17)
	Net increase / (decrease) in working capital and short-term borrowings	2,424.47	(504.55)
	Lease payments	(558.34)	(531.10)
	Dividends paid (net of tax on dividend)	(135.17)	-
	Interest paid on borrowings	(2,921.90)	(2,242.06)
	Net cash flow utilised in financing activities	(6,933.23)	(2,139.21)



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

CONSOLIDATED STATEMENT OF CASH FLOW

Sl. No.	Particulars	Rs. In Million	
		For the current year ended March 31, 2024	For the previous year ended March 31, 2023
		AUDITED	AUDITED
	Net (decrease) / increase in cash and cash equivalents during the year	(1,425.08)	1,329.64
	Cash and cash equivalents at the beginning of the year	3,035.01	1,707.30
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	1.62	1.46
	Cash and cash equivalents pursuant to loss of control in a subsidiary	(1.35)	(3.39)
	Cash and cash equivalents at the end of the year*	1,610.20	3,035.01
	* Comprises:		
	Cash on hand	1.92	2.68
	Balance with banks:		
	- In current accounts	603.73	573.11
	- In deposit accounts	727.16	1,909.58
	- Funds-in-transit	277.39	549.64
	Total	1,610.20	3,035.01



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

Notes:


- 1** These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2** The above consolidated results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 22, 2024. The statutory auditors have audited the results for the quarter and year ended March 31, 2024 and have issued an unmodified opinion.
- 3** During the year ended March 31, 2024, the Associate (Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited (Stelis)) has incurred loss from continuing operations of Rs. 3,656.97 million (year ended 31st March 2023 : Rs. 4,156.45 million) primarily on account of under utilisation of its capacities and write down of inventories and certain intangible assets during the current year. The current liabilities (including current maturities of long-term debt) of Rs. 1,560.38 million) exceeded its current assets by Rs. 4,542.07 million as at March 31, 2024. The Associate also requires additional funds to continue its product development activities and day to day operations and completion of capital projects in progress.

The Associate has requested for temporary relaxations for compliance with the financial covenants from the lenders for fiscal 2022 and 2023 as these have not been met. However, during the year ended March 31, 2023, the shareholders / investors have infused Rs. 7,102 million by subscribing towards call against the partly paid-up shares, rights issues and as intercorporate debt. Further, during the year, the promoter group companies and other investors have additionally infused funds in the form of debt into the Associate aggregating to Rs. 7,497.59 million (including Rs. 2,539.59 million from the promoter group companies). Subsequent to the reporting year, the Associate has raised Rs. 2,000 million through issue of 20,000 non-convertible debentures of face value of Rs. 1 lakh each which will list with BSE India, which has long-term repayment schedule. The promoters have committed to continue to provide the requisite financial support to the Associate as it requires in the normal course of business.

The Associate has signed several Manufacturing Services Agreements (MSA's) for its Contract Development and Manufacturing Operations (CDMO) business and is expected to grow the business of CDMO further during the coming years. During the previous financial year, Associate's facility in Bengaluru successfully completed inspection by several regulators including EMA and USFDA and one of its customer has also recently received approval from USFDA for a product filed from the site.

As more fully described in Note 13, during the year, the Company and Stelis has also announced a demerger from Strides and consolidation of CDMO business within Stelis by issuing shares to the shareholders of the Group and consequently listing Stelis in India.

Given the mitigating factors discussed above, the Associate has concluded that it will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its financial statements remains appropriate. The Company has also reviewed the developments of the quarter and continues to believe that no impairment exists as of the period end for its investment in the Associate.

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STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024						
4	Exceptional Items:	Particulars	3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous Year March 31, 2023	Rs. in Million
			AUDITED (Refer note 17)	UNAUDITED	AUDITED	Previous year ended March 31, 2023
		- Exchange gain/ (loss) on long-term foreign currency loans and deferred consideration	(60.38)	81.23	(2.05)	(716.73)
		- Legal expenses related to product recall and settlements (Refer note 8)	(72.83)	(145.87)	(53.38)	(248.82)
		- Impairment and write down of assets (Refer note 5 & 9)	14.84	21.78	(282.38)	(330.40)
		- Gain on dilution of investment in associates	-	-	(38.81)	656.07
		- Business combination and restructuring expenses (Refer note 7)	37.66	(57.50)	(28.83)	724.59
		- Employee Severance and retrenchment expense	-	(0.31)	(1.97)	(255.03)
		Total	(80.71)	(100.67)	(73.39)	(170.32)
5		During the quarter ended September 30, 2023, Strides Pharma Global Pte. Limited, Singapore, entered into a binding agreement with PharmaGend Global Medical Services Pte. Ltd. (formerly known as Rxllent Biohub Pte Ltd) (Rxllent Biohub) for the sale of its manufacturing facility including licenses, equipment, vendor contracts and leases for a total cash consideration of USD 15 million. As part of the transaction, Rxllent Biohub will also take over the long term lease obligation of the manufacturing site from Strides Pharma Global Pte. Limited. The transaction is consummated during the quarter ended December 31, 2023. Proceeds from the transaction has been utilised to reduce Group's existing debt obligations. Accordingly, the difference between the carrying value of the assets and the consideration (net off expenses) amounting to Rs. 1,41.4 million has been accounted as a loss under exceptional items.				
6		During the quarter and year ended March 31, 2024, the Group divested its entire equity stake in Eris Pharma GmbH , Germany for a consideration of Euro 0.2 million. The gain on sale of Eris Pharma GmbH has been amounting to Rs.0.50 million has been accounted under exceptional items. During the quarter and year ended March 31, 2024, the Group divested its entire equity stake in Strides Pharma Latina, SA De CV, Mexico , Germany for a consideration of USD 1,000. The loss on sale of Strides Pharma Latina, SA De CV, Mexico has been amounting to Rs.0.67 million has been accounted under exceptional items.				
7		During the quarter and year ended March 31, 2024, Arco Lab Private Limited, a wholly owner subsidiary of the Group, acquired additional 25% equity interest in Neviton Softech Private Limited, whereby increasing its equity holding to 50% and obtained control over the Board and operations of Neviton. Accordingly, Neviton has been considered as subsidiary with effect from January 5, 2024 and was accounted for as a business combination in the current quarter.				



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

- 8 On March 31, 2020, US Food and Drug Administration (USFDA or the Agency) issued letters to all manufacturers of Ranitidine across dosage forms requesting withdrawal of all prescription(Rx) and over-the-counter (OTC) ranitidine drugs from the market immediately. This step was based on their ongoing investigation of the N-Nitrosodimethylamine (NDMA) impurity in ranitidine medications. As a result, effective April 1, 2020, the Group has ceased further distribution of the product and is currently in the process of withdrawing the product from the market.

During the year ended March 31, 2022, USFDA issued a letter to the Group to test for the presence of Azide impurity(s) in the batches tested. As a result, the group recalled specific batches which had the Azide impurity(s). A similar letter from USFDA. The results confirmed the presence of Azide impurity(s) in the batches tested.

During the current quarter and year ended March 31, 2024, with respect to the above mentioned recall, the Group is carrying sufficient provision for sales return and has recorded an amount of Rs. 72.83 million and Rs. 290.18 million respectively, towards legal expenses related to its ongoing litigations with respect to these recalled products. These amounts, in line with earlier periods, have been recorded as an expense within Exceptional items in the statement of profit and loss during the period.
- 9 Universal Corporation, Kenya (UCL) would have a favorable opportunity to participate and win certain local tenders if the company is a local Kenyan company, i.e Kenyan shareholders own at-least 51% ownership in the company. In order to maximize the opportunities for UCL, the shareholders have jointly agreed to take the necessary steps that enables the company to be eligible and win such businesses enabling its future growth.
During the previous year, to enable Universal Corporation, Kenya (UCL) to compete in local tender businesses in Africa which promotes local companies, the Group decided to reduce its equity shareholding below majority in UCL. Consequently, the Group also ceded away the control over the board of UCL in favour of the other existing shareholders. However, it continues to have board representation to exercise significant influence. Pursuant to above amendments, the Group concluded that it no longer exercises control over UCL and hence will account for its investment as an equity method associate. As per Ind AS 110 - Consolidated Financial Statements, the resulting gain of Rs. 156 million, on loss of control has been disclosed under exceptional items.

Subsequently, to enable UCL product portfolio and improve the manufacturing capacity utilisation, the Institutional Tender Business portfolio of the Group consisting of non-exclusive IP's, inventory and receivables were transferred to UCL during the quarter ended September 30, 2023 for an agreed consideration of USD 15.08 million which will be received by September, 2026. This transfer of business resulted in a loss of Rs. 74.14 million which has been accounted under exceptional items.

During the previous quarter, UCL Brands limited, Kenya, has undertaken exclusive distribution rights from UCL with respect to the Brands business carried on by UCL in African region. UBL has provided refundable deposit of USD 6 million for such distribution rights. The same has been adjusted against the consideration referred above.



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10 Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Effective previous year, the Group pursuant to its assessment that the business has now evolved from its incubation stage and to align to the decision to demerge certain parts of its business, implemented operational changes in how its CODM evaluates its businesses, including resource allocation and performance assessment. As a result of the aforesaid change, the Group has two operating segments representing the individual businesses that are managed separately. The Group's reportable segment are as follows: "Pharmaceutical" & "Bio-pharmaceutical".

Bio-pharmaceutical Segment represents the business of research, development, manufacture and commercialization of biological drug products in various injectable formats and the end-to-end CDMO services across all phases of pre-clinical and clinical development and commercial supply of biologics.

Pharmaceutical segment represents the business of development, manufacture and Commercialization of drug products other than biological drugs.

	Particulars	Rs. in Million				
		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
1	Segment Revenue					
	a) Pharmaceutical business	10,840.35	10,376.68	9,863.70	40,511.24	36,883.87
	b) Bio-pharmaceutical business	-	-	-	-	-
	Revenue from operations	10,840.35	10,376.68	9,863.70	40,511.24	36,883.87
2	Segment Interest Income					
	a) Pharmaceutical business	103.40	65.47	230.68	296.42	745.07
	b) Bio-pharmaceutical business	-	-	-	-	-
	Interest Income	103.40	65.47	230.68	296.42	745.07
3	Segment Cost					
	(i) Interest Cost					
	a) Pharmaceutical business	801.56	792.84	805.17	3,144.45	2,611.42
	b) Bio-pharmaceutical business	-	-	-	-	-
	Interest Cost	801.56	792.84	805.17	3,144.45	2,611.42
	(ii) Depreciation & Amortisation					
	a) Pharmaceutical business	497.60	512.28	609.29	2,206.83	2,432.52
	b) Bio-pharmaceutical business	-	-	-	-	-
	Depreciation & Amortisation	497.60	512.28	609.29	2,206.83	2,432.52

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STATEMENT OF CONSOLIDATED AUDITED RESULTS						
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024						
Particulars		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
4	Segment results (i) Profit/ (loss) before exceptional items and tax a) Pharmaceutical business b) Bio-pharmaceutical business (ii) Exceptional items - net gain / (loss) a) Pharmaceutical business b) Bio-pharmaceutical business (iii) Share of loss of joint ventures and associates a) Pharmaceutical business b) Bio-pharmaceutical business (iv) Profit/ (loss) before tax a) Pharmaceutical business b) Bio-pharmaceutical business Profit/ (loss) before tax [(i)+(ii)+(iii)] Tax expense (v) Profit/(loss) after tax from continuing operations	862.72 - 862.72 (80.71) - (80.71) (348.51) (137.28) (485.79) 433.50 (137.28) 296.22 192.51 103.71	720.53 - 720.53 (100.67) - (100.67) (125.66) (394.08) (519.74) 494.20 (394.08) 100.12 101.02 (0.90)	412.32 - 412.32 (34.73) (38.66) (73.39) (12.97) (393.04) (406.01) 364.62 (431.70) (67.08) 70.87 (137.95)	2,478.37 - 2,478.37 (1,890.45) - (1,890.45) (538.01) (1,219.35) (1,757.36) 49.91 (1,219.35) (1,169.44) 315.90 (1,485.34)	161.15 - 161.15 (361.66) 191.34 (170.32) (108.38) (2,744.45) (2,852.83) (308.89) (2,553.11) (2,862.00) (553.01) (2,308.99)



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

	Particulars	Rs. in Million				
		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
1	Segment Assets (Other than investment accounted for using equity method)					
	a) Pharmaceutical business	56,501.77	59,367.04	62,519.91	56,501.77	62,519.91
	b) Bio-pharmaceutical business	2.81	31.40	5.10	2.81	5.10
	Total	56,504.58	59,398.44	62,525.01	56,504.58	62,525.01
2	Segment Assets (investment accounted for using equity method)					
	a) Pharmaceutical business	85.85	523.68	832.72	85.85	832.72
	b) Bio-pharmaceutical business	1,807.12	1,944.40	3,026.47	1,807.12	3,026.47
	Total	1,892.97	2,468.08	3,859.19	1,892.97	3,859.19
3	Segment Liabilities					
	a) Pharmaceutical business	37,680.49	40,793.48	44,655.37	37,680.49	44,655.37
	b) Bio-pharmaceutical business	-	-	-	-	-
	Total Segment Liabilities	37,680.49	40,793.48	44,655.37	37,680.49	44,655.37



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STATEMENT OF CONSOLIDATED AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

- 11 The Company's erstwhile Managing Director and Chief Executive Officer tendered resignation on March 29, 2022, which was accepted by the Board of Directors (Board). As part of the terms of his remuneration, as approved in the Annual General Meeting dated August 20, 2020, he was entitled to a joining bonus of Rs. 141.20 million which had been paid in full by the Company in earlier periods. However, the employment terms contain a provision to claw back the joining bonus in full if he were to leave the Company before completing 36 months from the date of such payment. The Board had decided to recover the joining bonus in accordance with the terms of employment. During the year, the Company recovered significant portion of receivable from the Director and the balance receivable of Rs.24.54 million has been disclosed under current financial assets. Subsequent to the year end, the balance amount of Rs 24.54 million has also been recovered.
- 12 Board of Directors of the Company on March 14, 2022, approved the issuance of upto 2,000,000 Equity Warrants at a price of Rs 442/- per warrant, to Karuna Business Solutions LLP, a promoter group entity, with a right to apply for and get allotted, within a period of 18 (Eighteen) months from the date of allotment of Warrants, 1 (one) Equity Share of face value of Rs 10/- (Rupee Ten Only) each for each Warrant, for cash. The issue was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 7, 2022 and has also received requisite listing approvals. An amount of Rs. 221 million equivalent to 25% of the Warrant Price was paid to the Company at the time of subscription and the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the options. During the year ended March 31, 2023, on exercise of options by Karuna Business Solutions LLP and on receipt of balance subscription money of Rs.150 million, the Company has fully converted 452,490 convertible warrants into Ordinary Shares.

During the previous quarter ended December 31, 2023, on exercise of options by Karuna Business Solutions LLP and on receipt of balance subscription money of Rs. 513 million, the Company has fully converted 1,547,510 convertible warrants into Ordinary Shares.

The Company has fully utilised the amounts of Rs. 884 million towards capital resources and operations.
- 13 On September 25, 2023 the board of directors of the Company approved the Scheme of Arrangement between Strides Pharma Science Limited, Onesource Specially Pharma Limited (formerly known as Stelis Biopharma Limited (Stelis)) and Sterisience Specialities Private Limited with an appointed date of April 01, 2024. The Scheme is subject to approval from Stock exchanges, SEBI, NCLT, Shareholders, Creditors, and other regulatory authorities.

Upon the scheme becoming effective, the identified CDMO and Softgel business of Strides would be demerged from the books of Strides Pharma Science Ltd and will get merged with existing Stelis business. The consideration would be issued to the shareholders of Strides in the form of shares in Stelis Biopharma Ltd with a consequential listing of Stelis in the Indian stock exchanges. The demerger would be accounted as per the guidance in Appendix A of Ind As10 (Distribution of Non-cash assets to the owners) once the Scheme is approved by the NCLT and all other conditions are met.

Subsequent to the year ended, the Company has received No Objection Letter for filing the Scheme with NCLT.



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FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

14 On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("the Singapore subsidiary"), completed the sale of investments in Agila Specialties Private Limited and Agila Specialties Global Pte Limited (together, "Agila") to Mylan Laboratories Limited and Mylan Institutional Inc. (together, "Mylan") pursuant to separate agreements, each dated as of February 27, 2013 (the "SPAs"). Under the terms of SPA, the Group is entitled to the benefit of any refund of taxes in respect of any period ending on or before the completion date.


During the current year, the Group received a favourable award on its ongoing arbitration with Mylan with respect to certain claims. Accordingly, the Group based on its evaluation, reversed the provisions related to above matters amounting to Rs. 542.20 million. The same has been recorded as gain under discontinued operations.

During the previous year, Mylan has received certain tax refund with respect to the period on or before the completion date, which has been remitted to the Group. The Group has recorded such receipt of Rs. 185.69 million as a gain under discontinued operations.

Sl. No.	Particulars	3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
I	Total Revenue	-	-	-	-	-
II	Total Expenses	-	-	-	-	-
III	Profit/(loss) before exceptional items and tax (I - II)	-	-	-	-	-
IV	Exceptional items	-	-	-	-	-
V	Profit/(loss) before tax (III + IV)	-	-	-	-	-
VI	Share of profit / (loss) of joint ventures and associates	-	-	-	-	-
VII	Profit/(loss) before tax (V + VI)	-	-	-	-	-
VIII	Gain on disposals of assets (net)	0.72	541.48	-	542.20	185.69
IX	Tax expense / (benefit)	-	-	-	-	-
X	Profit/(loss) from discontinued operations (VII+ VIII - IX)	0.72	541.48	-	542.20	185.69

15 Information on Standalone Results : -

Particulars	3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Year to date figures for the period ended March 31, 2024	Previous year ended March 31, 2023
	AUDITED (Refer note 17)	UNAUDITED	AUDITED (Refer note 17)	AUDITED	AUDITED
Total Income from continuing operations	6,472.66	5,287.01	5,899.35	22,255.64	19,385.62
Profit/ (loss) before tax from continuing operations	527.78	35.20	652.00	696.21	(647.60)
Profit/ (loss) after tax from continuing operations	536.64	25.42	623.97	654.91	46.82
Profit/ (loss) before tax from discontinued operations	-	-	-	-	-
Profit/ (loss) after tax from discontinued operations	-	-	-	-	-

<div>  </div> <div> STRIDES PHARMA SCIENCE LIMITED CIN: L24230MH1990PLC057062 Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703. Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076. STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024 </div>	<div> <p>16 The Group reclassified an amount of Rs. 259 million, representing income from sale of Intellectual property rights under other operating revenue, which was grouped within other income during the quarter ended September 30, 2023, resulting in a negative other income for the quarter ended March 31, 2024.</p> <p>17 The figures for the quarters ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures in respect to full financial years and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which are subjected to limited review.</p> <p>18 The board of directors have proposed a final dividend of Rs 2.5 per share, which is subject to approval by the shareholders in the Annual General Meeting.</p> <p>19 Previous period figures have been regrouped to conform with the classification adopted in these financial results.</p> <div> <div> For and on behalf of the Board ARUN KUMAR <small>Digitally signed by ARUN KUMAR PILLAI</small> <small>Date: 2024.05.22 12:53:54 +05'30'</small> </div> <div> Arun Kumar Executive Chairperson and Managing Director </div> </div> <div> Ooty, May 22, 2024 </div> </div>
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Independent Auditor's Report

To the Board of Directors of Strides Pharma Science Limited Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Strides Pharma Science Limited (hereinafter referred to as the "Company") for the year ended 31 March 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the 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 on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 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

Independent Auditor's Report (Continued)

Strides Pharma Science Limited

presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.

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 annual financial results, 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to 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 in the standalone annual financial results 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results 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.

Independent Auditor's Report (Continued)
Strides Pharma Science Limited

Other Matter(s)

- a. The standalone annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**SAMPAD GUHA
THAKURTA**

Digitally signed by
SAMPAD GUHA THAKURTA
Date: 2024.05.22 13:16:07
+05'30'

Sampad Guha Thakurta

Partner

Bangalore

22 May 2024

Membership No.: 060573

UDIN: 24060573BKFGOU7325



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.
Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

Sl. No.	Particulars	Rs. in Million				
		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Current year ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer Note 10)	UNAUDITED	AUDITED (Refer Note 10)	AUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)
I	Income					
II	Revenue from operations	6,176.32	5,200.15	5,635.57	21,532.58	18,544.96
III	Other income	296.34	86.86	263.78	723.06	840.66
	Total income (I + II)	6,472.66	5,287.01	5,899.35	22,255.64	19,385.62
IV	Expenses					
(a)	Cost of materials consumed	2,664.45	3,021.37	2,035.45	10,726.26	10,200.95
(b)	Purchases of stock-in-trade	109.90	66.04	51.29	292.28	244.73
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	340.85	(365.85)	467.57	46.22	210.37
(d)	Employee benefits expense	866.02	856.56	645.33	3,352.07	2,670.14
(e)	Finance costs	467.66	444.67	429.01	1,679.28	1,386.82
(f)	Depreciation and amortisation expense	208.07	210.63	227.12	846.68	936.21
(g)	Other expenses	1,287.19	965.48	1,241.58	4,562.99	4,234.00
	Total expenses (IV)	5,944.14	5,198.90	5,097.35	21,505.78	19,883.22
V	Profit / (Loss) before exceptional items and tax (III - IV)	528.52	88.11	802.00	749.86	(497.60)
VI	Exceptional item	(0.74)	(52.91)	(150.00)	(53.65)	(150.00)
VII	Profit / (Loss) before tax (V + VI)	527.78	35.20	652.00	696.21	(647.60)
VIII	Tax expense / (benefit)					
-	Current tax (Refer note 9)	(28.28)	6.75	(230.09)	3.12	(498.43)
-	Deferred tax	19.42	3.03	258.12	38.18	(195.99)
	Total tax expense / (benefit) (VIII)	(8.86)	9.78	28.03	41.30	(694.42)
IX	Profit / (Loss) for the period (VII - VIII)	536.64	25.42	623.97	654.91	46.82



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**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

Sl. No.	Particulars	Rs. in Million				
		3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Current year ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer Note 10)	UNAUDITED	AUDITED (Refer Note 10)	AUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)
X	Other comprehensive income					
A	(i) Items that will not be reclassified to statement of profit and loss	(53.05)	-	79.85	(53.05)	79.85
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	18.54	-	(27.90)	18.54	(27.90)
B	(i) Items that may be reclassified to statement of profit and loss	17.45	(106.15)	144.86	51.08	(24.29)
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	(6.10)	37.09	(50.62)	(17.85)	8.49
	Total other comprehensive income for the period (X)	(23.16)	(69.06)	146.19	(1.28)	36.15
	Total comprehensive income for the period (IX + X)	513.48	(43.64)	770.16	653.63	82.97
XI	Earnings per equity share (face value of Rs. 10/- each)					
	(a) Basic (Rs.)	5.84	(not annualised) 0.28	(not annualised) 6.91	(annualised) 7.20	(annualised) 0.52
	(b) Diluted (Rs.)	5.83	0.28	6.91	7.19	0.52
	See accompanying notes to the Financial Results					

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STATEMENT OF STANDALONE AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

STANDALONE BALANCE SHEET

		Rs. in Million	
Particulars		As at March 31, 2024 AUDITED	As at March 31, 2023 AUDITED
A	ASSETS		
I	Non-current assets		
	(a) Property, plant and equipment	4,632.41	4,988.07
	(b) Capital work in progress	577.14	157.92
	(c) Right of Use Assets	446.27	568.67
	(d) Investment property	116.11	122.61
	(e) Other intangible assets	367.16	286.28
	(f) Intangibles assets under development	362.92	395.86
	(g) Financial assets		
	(i) Investments	24,983.35	24,917.68
	(ii) Loans	350.00	504.47
	(iii) Other financial assets	225.11	211.85
	(h) Deferred tax assets (net)	914.88	952.38
	(i) Income tax assets (net)	1,056.44	1,575.18
	(j) Other non-current assets	187.47	252.41
	Total non-current assets	34,219.26	34,933.38
II	Current assets		
	(a) Inventories	4,701.77	4,907.64
	(b) Financial assets		
	(i) Trade receivables	15,085.06	13,077.79
	(ii) Cash and cash equivalents	927.07	821.05
	(iii) Other balances with banks	191.24	34.75
	(iv) Loans	1,041.85	741.78
	(v) Other financial assets	713.53	548.66
	(c) Other current assets	1,498.04	1,132.37
	Total current assets	24,158.56	21,264.04
	Total assets	58,377.82	56,197.42

STRIDES PHARMA SCIENCE LIMITED CIN: L24230MH1990PLC057062 Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703. Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.			
STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024			
STANDALONE BALANCE SHEET			
	Particulars	As at March 31, 2024 AUDITED	Rs. in Million As at March 31, 2023 AUDITED
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity Share capital	919.00	903.03
	(b) Other equity	34,692.23	33,647.48
	Total Equity	35,611.23	34,550.51
II	Liabilities		
1	Non-current liabilities		
	(a) Financial liabilities	1,969.88	2,847.43
	(i) Borrowings	394.04	497.99
	(ii) Lease liabilities	10.59	-
	(iii) Other financial liabilities	439.05	333.22
	(b) Provisions		
	Total Non-current liabilities	2,813.56	3,678.64
2	Current liabilities		
	(a) Financial liabilities	13,971.90	10,644.61
	(i) Borrowings	162.11	152.01
	(ii) Lease liabilities		
	(iii) Trade payables	300.67	137.09
	(a) total outstanding dues of micro enterprises and small enterprises and	4,740.92	6,297.33
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
	(iv) Other financial liabilities	445.14	408.42
	(b) Provisions	183.04	150.00
	(c) Other current liabilities	149.25	178.81
	Total current liabilities	19,953.03	17,968.27
	Total equity and liabilities	58,377.82	56,197.42



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STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024 STATEMENT OF STANDALONE CASH FLOWS

Sl. No.	Particulars	Rs. In Million	
		For the year ended March 31, 2024	For the year ended March 31, 2023
		AUDITED	AUDITED
A.	Cash flow from operating activities		
	Profit / (Loss) before tax	696.21	647.60
	Adjustments for:		
	- Depreciation and amortisation expense	846.68	936.21
	- Loss on sale/write off of property, plant and equipment, Investment Property and other intangible assets (net)	3.41	163.22
	- Impairment of non current investments	-	150.00
	- Share based compensation expense	13.49	9.68
	- Finance costs	1,679.28	1,386.82
	- Interest income	(310.90)	(661.63)
	- Dividend income	(295.74)	-
	- Rental income from investment property	(16.87)	(18.56)
	- Loss allowance on trade receivables	70.14	96.79
	- Gain on account of lease modification	-	(17.20)
	- Net unrealised exchange loss/ (gain)	170.40	(316.65)
	Operating profit before working capital changes	2,856.10	1,081.08
	Changes in working capital:		
	Increase in trade and other receivables	(2,596.57)	(16.68)
	Decrease in inventories	205.87	222.99
	(Decrease) / Increase in trade and other payables	(1,360.08)	131.82
	Net change in working capital	(3,750.78)	338.13
	Cash (utilised in) / generated from operations	(894.68)	1,419.21
	Income taxes refund, net	537.12	998.19
	Net cash flow (utilised in)/ generated from operating activities	(357.56)	2,417.40
	A		



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STATEMENT OF STANDALONE AUDITED RESULTS

FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

STATEMENT OF STANDALONE CASH FLOWS

Sl No.	Particulars	Rs. In Million	
		For the year ended March 31, 2024	For the year ended March 31, 2023
		AUDITED	AUDITED
B.	Cash flow from investing activities		
	Acquisition for property, plant and equipment and intangible assets, including capital advance and capital creditors	(672.90)	(806.88)
	Proceeds from sale of property, plant and equipment and intangible assets	9.69	2.21
	Investment in subsidiary and associate	-	(1,070.06)
	Purchase of long-term investments in others	(65.67)	-
	Loans given	(754.05)	(971.88)
	Loans recovered	614.72	1,015.46
	Interest received (net of taxes)	253.03	26.81
	Dividend received	124.48	-
	Rental income from investment property	16.87	18.05
	Net security deposits (paid) / received	(0.62)	4.19
	Investment in fixed deposits with maturity of more than 3 months, net	(138.21)	(43.66)
	Net cash flow utilised in investing activities	(612.66)	(1,825.76)

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STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024 STATEMENT OF STANDALONE CASH FLOWS			
Sl. No.	Particulars	For the year ended March 31, 2024	Rs. In Million For the year ended March 31, 2023
		AUDITED	AUDITED
C.	Cash flow from financing activities		
	Proceeds from issue of equity shares	12.54	13.67
	Proceeds from share application money pending allotment	1.20	-
	Proceeds from issue and exercise of share warrants	513.00	371.00
	Proceeds from long-term borrowings	548.03	2,527.93
	Repayment of long-term borrowings	(829.15)	(668.88)
	Proceeds/(Repayment) from short-term borrowings (net)	2,706.23	(744.42)
	Dividends paid	(135.50)	-
	Lease payments	(159.59)	(151.87)
	Interest paid on borrowings	(1,580.52)	(1,239.26)
	Net cash flow generated from financing activities	1,076.24	108.17
	Net increase in cash and cash equivalents during the year	106.02	699.81
	Cash and cash equivalents at the beginning of the year	821.05	121.24
	Cash and cash equivalents at the end of the year*	927.07	821.05
	* Comprises:		
	Cash on hand	1.35	1.59
	Balance with banks:		
	- In current accounts	49.64	40.09
	- In deposit accounts	709.25	670.08
	- Funds-in-transit	166.83	109.29
	Total	927.07	821.05



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**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

Notes:

1 These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 22, 2024. The statutory auditor has audited the results for the quarter and year ended March 31, 2024 and have issued an unmodified opinion.

3 During the year ended March 31, 2024, the Associate (OneSource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited (Stelis)) has incurred loss from continuing operations of Rs. 3,656.97 million (year ended 31st March 2023 : Rs. 4,156.45 million) primarily on account of under utilisation of its capacities and write downs of inventories and certain intangible assets during the current year. The current liabilities (including current maturities of long-term debt of Rs. 1,560.38 million) exceeded its current assets by Rs. 4,542.07 million as at March 31, 2024. The Associate also requires additional funds to continue its product development activities and day to day operations and completion of capital projects in progress.

The Associate has requested for temporary relaxations for compliance with the financial covenants from the lenders for fiscal 2022 and 2023 as these were not met. However, during the year ended March 31, 2023, the shareholders / investors have infused Rs. 7,102 million by subscribing towards call against the partly paid-up shares, rights issues and as intercorporate debt. Further, during the current year, the promoter group companies and other Investors have additionally infused funds in the form of debt into the Associate aggregating to Rs. 7,497.59 million (including Rs. 2,539.59 million from the promoter group companies). Subsequent to the reporting year, the Associate has raised Rs. 2,000 million through issue of 20,000 non-convertible debentures of face value of Rs. 1 lakh each which will list with BSE India, which has long-term repayment schedule. The promoters have committed to continue to provide the requisite financial support to the Associate as it requires in the normal course of business.

The Associate has signed several Manufacturing Services Agreements (MSA's) for its Contract Development and Manufacturing Operations (CDMO) business and is expected to grow the business of CDMO further during the coming years. During the previous financial year, Associate's facility in Bengaluru successfully completed inspection by several regulators including EMA and USFDA and one of its customer has also recently received approval from USFDA for a product filed from the site.

As more fully described in Note 6, during the year, the Company and Stelis has also announced a demerger from Strides and consolidation of CDMO business within Stelis by issuing shares to the shareholders of the Group and consequently listing Stelis in India.

Given the mitigating factors discussed above, the Associate has concluded that it will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its financial statements remains appropriate. The Company has also reviewed the developments of the quarter and continues to believe that no impairment exists as of the period end for its investment in the Associate.



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**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

4 Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

The Company pursuant to its assessment that the business has now evolved from its incubation stage and to align to the decision to demerge certain parts of its business, implemented operational changes in how its CODM evaluates its businesses, including resource allocation and performance assessment. As a result of the aforesaid change, the Company has two operating segments, representing the individual businesses that are managed separately. The Company's reportable segment are as follows: "Pharmaceutical" and "Bio-pharmaceutical".

Bio-pharmaceutical Segment represents the business of research, development, manufacture and commercialization of biological drug products in various injectable formats and the end-to-end CDMO services across all phases of pre-clinical and clinical development and commercial supply of biologics.

Pharmaceutical segment represents the business of development, manufacture and Commercialization of drug products other than biological drugs.

Sl. No.	Particulars	3 Months ended March 31, 2024	Preceding 3 Months ended December 31, 2023	Corresponding 3 Months ended in the previous year March 31, 2023	Current year ended March 31, 2024	Previous year ended March 31, 2023
		AUDITED (Refer Note 10)	UNAUDITED	AUDITED (Refer Note 10)	AUDITED	AUDITED
1	Segment Revenue					
	a) Pharmaceutical business	6,176.32	5,200.15	5,635.57	21,532.58	18,544.96
	b) Bio-pharmaceutical business	-	-	-	-	-
	Revenue from operations	6,176.32	5,200.15	5,635.57	21,532.58	18,544.96
2	Segment Interest Income					
	a) Pharmaceutical business	106.34	56.51	210.63	310.90	661.63
	b) Bio-pharmaceutical business	-	-	-	-	-
	Interest Income	106.34	56.51	210.63	310.90	661.63
3	Segment Cost					
	i) Interest Cost					
	a) Pharmaceutical business	467.66	444.67	429.01	1,679.28	1,386.82
	b) Bio-pharmaceutical business	-	-	-	-	-
	ii) Depreciation					
	a) Pharmaceutical business	208.07	210.63	227.12	846.68	936.21
	b) Bio-pharmaceutical business	-	-	-	-	-
		208.07	210.63	227.12	846.68	936.21



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: 'Strides House', Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

Sl No.	Particulars	3 Months ended March 31, 2024 AUDITED (Refer Note 10)	Preceding 3 Months ended December 31, 2023 UNAUDITED	Corresponding 3 Months ended in the previous year March 31, 2023 AUDITED (Refer Note 10)	Current year ended March 31, 2024 AUDITED	Previous year ended March 31, 2023 AUDITED
4	Segment results					
	(i) Profit/ (loss) before exceptional items and tax					
	a) Pharmaceutical business	528.52	88.11	802.00	749.86	(497.60)
	b) Bio-pharmaceutical business	528.52	88.11	802.00	749.86	(497.60)
	(ii) Exceptional items					
	a) Pharmaceutical business	(0.74)	(52.91)	(150.00)	(53.65)	(150.00)
	b) Bio-pharmaceutical business	(0.74)	(52.91)	(150.00)	(53.65)	(150.00)
	(iii) Profit / (loss) before tax (I)					
	a) Pharmaceutical business	527.78	35.20	652.00	696.21	(647.60)
	b) Bio-pharmaceutical business	527.78	35.20	652.00	696.21	(647.60)
	Profit / (loss) before tax (II)					
	Tax expense / (benefit) (II)	(8.86)	9.78	28.03	696.21	(647.60)
	Profit / (loss) for the period (I-II)	536.64	25.42	623.97	654.91	46.82

Sl No.	Particulars	3 Months ended March 31, 2024 AUDITED (Refer Note 10)	Preceding 3 Months ended December 31, 2023 UNAUDITED	Corresponding 3 Months ended in the previous year March 31, 2023 AUDITED (Refer Note 10)	Current year ended March 31, 2024 AUDITED	Previous year ended March 31, 2023 AUDITED
1	Segment Assets					
	a) Pharmaceutical business	53,216.46	52,839.32	51,033.77	53,216.46	51,033.77
	b) Bio-pharmaceutical business	5,161.36	5,161.69	5,163.65	5,161.36	5,163.65
	Total Segment Assets	58,377.82	58,001.01	56,197.42	58,377.82	56,197.42
2	Segment Liabilities					
	a) Pharmaceutical business	22,766.59	22,910.53	21,646.91	22,766.59	21,646.91
	b) Bio-pharmaceutical business	-	-	-	-	-
	Total Segment Liabilities	22,766.59	22,910.53	21,646.91	22,766.59	21,646.91



STRIDES PHARMA SCIENCE LIMITED

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**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

- 5 The Board of Directors of the Company on August 2, 2023 have approved the Scheme of Amalgamation u/s 230 to 232 of the Companies Act, 2013, between Strides Pharma Science Limited and Strides Alathur Private Limited (formerly known as Vivimed Lifesciences Private Limited) with an appointed date of April 1, 2023. The Scheme of Amalgamation is filed with National Company Law Tribunal (NCLT) for approval.
- 6 On September 25, 2023 the Board of directors of the Company approved the Scheme of Arrangement between Strides Pharma Science Limited, OneSource Specialty Pharma Limited (formerly Stelis Biopharma Limited (Stelis)) and Steriscience Specialities Private Limited with an appointed date of April 01, 2024. The Scheme is subject to approval from Stock exchanges, SEBI, NCLT, Shareholders, Creditors, and other regulatory authorities.

Upon the scheme becoming effective, the identified CDMO and Softgel business of Strides would be demerged from the books of Strides Pharma Science Ltd and will get merged with existing OneSource Specialty Pharma business. The consideration would be issued to the shareholders of Strides in the form of shares in OneSource Specialty Pharma Limited (formerly Stelis Biopharma Limited) with a consequential listing of OneSource Specialty Pharma in the Indian stock exchanges. The demerger would be accounted as per the guidance in Appendix A of Ind As10 (Distribution of Non-cash assets to the owners) once the Scheme is approved by the NCLT and all other conditions are met.

Subsequent to the year ended, the Company has received No Objection Letter for filing the Scheme with NCLT.
- 7 Board of Directors of the Company on March 14, 2022 approved the issuance of upto 2,000,000 Equity Warrants at a price of Rs 442/- per warrant, to Karuna Business Solutions LLP, a promoter group entity, with a right to apply for and get allotted, within a period of 18 (Eighteen) months from the date of allotment of Warrants, 1 (one) Equity Share of face value of Rs 10/- (Rupee Ten Only) each for each Warrant, for cash. The issue was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 7, 2022 and has also received requisite listing approvals. An amount of Rs. 221 million equivalent to 25% of the Warrant Price was paid to the Company at the time of subscription and the balance 75% of the Warrant Price was payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the options. During the year ended March 31, 2023, on exercise of options by Karuna Business Solutions LLP and on receipt of balance subscription money of Rs.150 million, the Company has fully converted 452,490 convertible warrants into Ordinary Shares.

During the year ended March 31, 2024, on exercise of options by Karuna Business Solutions LLP and on receipt of balance subscription money of Rs. 513 million, the Company has fully converted 1,547,510 convertible warrants into Ordinary Shares.

The Company has fully utilised the amounts of Rs. 884 million towards capital resources and operations.
- 8 The Company's erstwhile Managing Director and Chief Executive Officer tendered resignation on March 29, 2022, which was accepted by the Board of Directors (Board). As part of the terms of his remuneration, as approved in the Annual General Meeting dated August 20, 2020, he was entitled to a joining bonus of Rs. 141.90 million which had been paid in full by the Company in earlier periods. However, the employment terms contain a provision to claw back the joining bonus in full if he were to leave the Company before completing 36 months from the date of such payment. The Board had decided to recover the joining bonus in accordance with the terms of employment. During the year, the Company recovered significant portion of receivable from the Director and the balance receivable of Rs. 24.54 million has been disclosed under current financial assets. Subsequent to the year end, the balance amount of Rs. 24.54 million has also been recovered.
- 9 During the previous year, the Company has received tax refund on completion of assessments pertaining to certain tax credits for earlier years. The interest income amounting to Rs. 66.71 million and Rs. 72.28 million for the quarter ended March 31, 2024 and year ended March 31, 2024 on the said refunds has been recorded under Other income in these financial results respectively.



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavratra, Sector 17, Vashi, Navi Mumbai 400 703.
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**STATEMENT OF STANDALONE AUDITED RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

- 10 The figures for the quarter ended March 31, 2024 are the balancing figure between audited figures in respect to full financial year and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which are subjected to limited review.
- 11 On May 22, 2024, the board of directors had proposed a final dividend of Rs 2.5 per share, which is subject to approval by Shareholders at the Annual General Meeting.
- 12 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

For and on behalf of the Board

ARUN KUMAR
PILLAI
Digitally signed by
ARUN KUMAR PILLAI
Date: 2024.05.22
12:55:49 +05'30'

Arun Kumar

Executive Chairperson and Managing Director

Ooty, May 22, 2024

000757

Deloitte Haskins & Sells

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru – 560 001
Karnataka, India

Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

INDEPENDENT AUDITOR'S REPORT

To The Members of Steriscience Specialties Private Limited Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

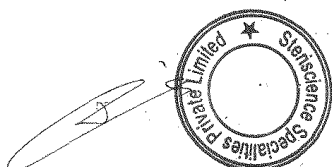
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

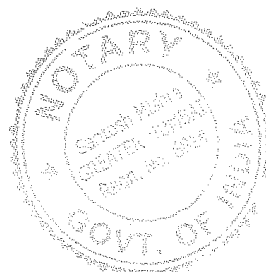
In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

by



Page 1 of 12



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

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

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

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

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

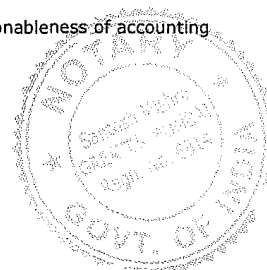
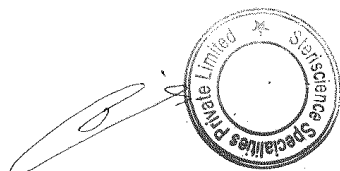
Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

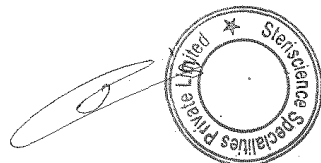
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

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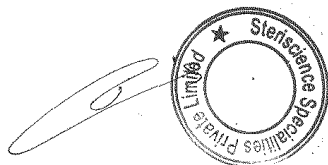
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- g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i)
- 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. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 35B to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 35B to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), 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 on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.

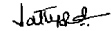
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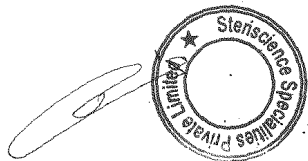
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.008072S)



Sathya P. Koushik
(Partner)
(Membership No. 206920)
(UDIN: 23206920BGYMGF7917)

Place: Bengaluru
Date: 18 July 2023



Deloitte Haskins & Sells

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to standalone financial statements of **Steriscience Specialties Private Limited** ("the Company") as of 31 March, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

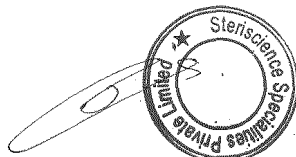
Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance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

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

We believe that the audit evidence we have obtained in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

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Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

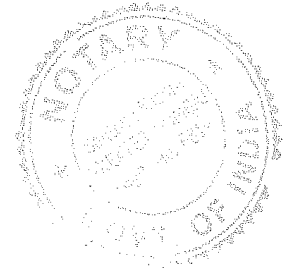
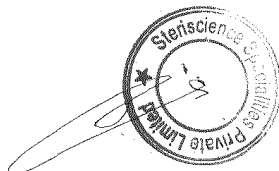
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Sathya P. Koushik

Sathya P. Koushik
(Partner)
(Membership No. 206920)
(UDIN: 23206920BGYMGF7917)

Place: Bengaluru
Date: 18 July 2023

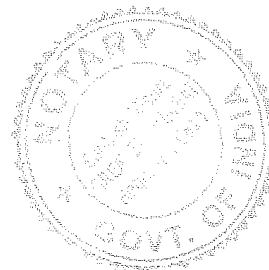
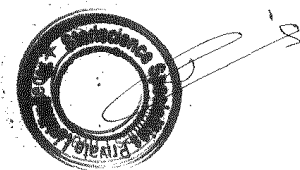


ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- (i) In respect of the company's Property Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification of Property, Plant and Equipment so to cover all the items once every three years which, in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, Property, Plant and Equipment were due for the verification during the year and were physically verified by the Management during the year. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The Company do not have any immovable properties of freehold or leasehold land. In respect of immovable properties of buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the company, where the company is the lessee in the agreement.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except for goods-in-transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:



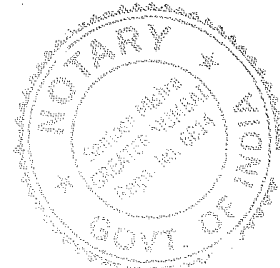
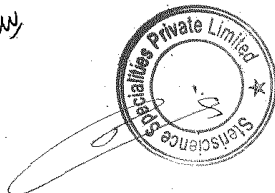
- (a) The Company has provided loans and security during the year and details of which are given below:

	Amount (Rs in Mio)	
	Loans	Investments
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	10.20	400.71
- Others	-	-
B. Balance outstanding as at balance sheet date in respect of above cases: *		
- Subsidiaries	10.20	1,144.90
- Others	-	-

*The amounts reported are at gross amounts, without considering provisions made. The Company has not provided any guarantee to any other entity during the year.

- (b) The security given and the terms and conditions of the grant of all the above-mentioned loans and security provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year ended 31 March 2023.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

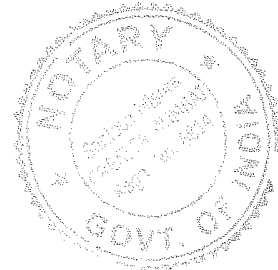
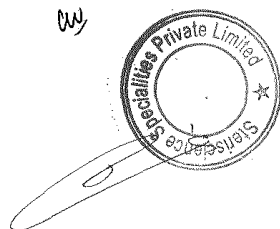
by



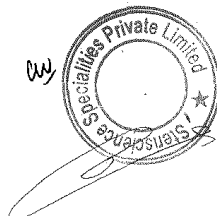
- a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March, 2023.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to bank.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, as applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies, as applicable, and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) The Company has made private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and Section 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.



- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year ended 31 March 2023.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of his report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report)
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company after the year end and covering the period upto March 2023.
- (xv) In our opinion and according to the information and explanations given to us, during the year ended 31 March 2023 the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to Rs. 81.19 million during the financial year covered by our audit and Rs. 277.21 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



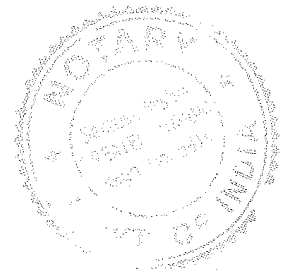
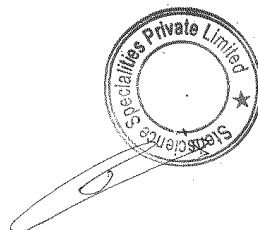
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Sathya P Koushik

Sathya P Koushik
(Partner)
(Membership No. 206920)
(UDIN: 23206920BGYMGF7917)

Place: Bengaluru
Date: 18 July 2023



000769

Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)
 Standalone Balance Sheet as at 31 Mar 2023
 (Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Note No.	As at 31 Mar 2023	As at 31 Mar 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	2A	732.89	732.04
(b) Right of use asset	2B	1,835.79	784.54
(c) Capital work in progress	2C	30.29	2.47
(d) Other intangible assets	2D	108.26	73.22
(e) Intangible assets under development	2E	8.91	2.48
(f) Financial assets			
(i) Investments	3	1,144.90	744.19
(ii) Other financial assets	4	76.15	81.98
(g) Other non-current assets	5	24.41	37.86
Total non-current assets		3,961.60	2,458.78
Current assets			
(a) Inventories	6	792.79	765.85
(b) Financial assets			
(i) Trade receivables	7	519.96	391.78
(ii) Cash and cash equivalents	8	0.96	436.26
(iii) Bank balances other than (ii) above	9	1,607.02	515.77
(iv) Loans receivable	10	10.20	-
(v) Other financial assets	4	13.62	3.70
(c) Other current assets	5	364.93	641.36
Total current assets		3,309.48	2,754.72
Total assets		7,271.08	5,213.50
Equity and liabilities			
Equity			
(a) Equity share capital	11	0.19	0.17
(b) Other equity	12	71.50	302.42
Equity attributable to the owners of the company		71.69	302.59
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	618.21	697.90
(ii) Lease liabilities	14	1,893.30	640.71
(iii) Other financial liabilities	15	117.90	-
(b) Provisions	16	62.39	165.32
(c) Other non-current liabilities	17	539.51	1,050.06
Total non-current liabilities		3,231.31	2,553.99
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	1,897.60	339.82
(ii) Lease liabilities	14	57.22	127.14
(iii) Trade payables	18		
- Dues of micro and small enterprises		25.60	2.87
- Dues of other than micro and small enterprises		1,017.71	1,052.25
(iv) Other financial liabilities	15	121.23	169.35
(b) Provisions	16	5.52	15.66
(c) Other current liabilities	17	843.20	649.83
Total current liabilities		3,968.08	2,356.92
Total liabilities		7,199.39	4,910.91
Total equity and liabilities		7,271.08	5,213.50

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
 For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration Number: 008072S

For and on behalf of Board of Directors

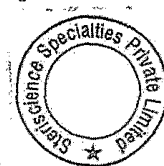
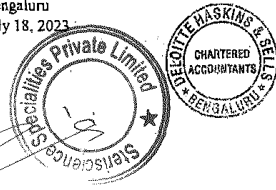
Sathya P Koushik
 Partner
 Membership Number: 206920

C Seetharamaiah
 Director
 DIN : 07405773

Tarun Kumar Singh
 Director
 DIN : 08354953

Place : Bengaluru
 Date : July 18, 2023

Place : Bengaluru
 Date : July 18, 2023



000770

Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)

Standalone Statement of Profit and Loss for the year ended 31 Mar 2023

(Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Revenue from operations	19	3,111.95	674.23
Other income	20	55.20	26.90
Total income		3,167.15	701.13
Expenses			
(a) Cost of material consumed	21	1,325.16	331.56
(b) Changes in inventories of finished goods and work-in-progress	22	(132.89)	(70.62)
(c) Employee benefits expense	23	868.83	330.89
(d) Finance costs	24	254.35	27.41
(e) Depreciation and amortisation expense	25	324.50	107.36
(f) Other expenses	26	934.01	359.58
Total expenses		3,573.96	1,086.18
Loss before tax		(406.81)	(385.05)
Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
Loss for the year		(406.81)	(385.05)
Other comprehensive income			
(a) Items that will not be reclassified subsequently to profit or (loss)	33	2.00	(4.52)
(b) Income tax relating to items that will not be reclassified subsequently to profit or (loss)		-	-
Total other comprehensive income		2.00	(4.52)
Total comprehensive loss for the year		(404.81)	(389.57)
Earnings per equity share (face value of Rs. 10/- each)	30		
(a) Basic (in Rs.)		(22,603.07)	(22,472.86)
(b) Diluted (in Rs.)		(22,603.07)	(22,472.86)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration Number: 008072S

Sathy P Koushik
 Sathya P Koushik
 Partner
 Membership Number: 206920

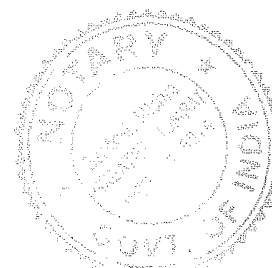
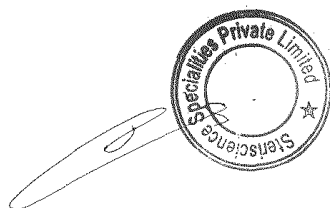
For and on behalf of Board of Directors

C Sentharamaiah
 C Sentharamaiah
 Director
 DIN : 07405773

Tarun Kumar Singl
 Tarun Kumar Singl
 Director
 DIN : 08854953

Place : Bengaluru
 Date : July 18, 2023

Place : Bengaluru
 Date : July 18, 2023



000771

Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)
 Standalone Statement of Cash flows for the year ended 31 Mar 2023
 (Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Cash flow from operating activities		
Profit/(Loss) before tax for the year	(406.81)	(385.05)
Adjustments for:		
Depreciation and amortisation	324.50	107.36
Interest from banks on deposits	(49.16)	(11.71)
Interest on intercompany loan	(0.09)	(2.15)
Interest on income tax refund	(0.13)	-
Profit on sale of investment	-	(9.53)
Profit on sale of asset	(1.39)	-
Interest Income from financial assets	(4.42)	(1.99)
Finance costs	254.35	26.70
Unrealised exchange (gain)/loss (net)	1.12	0.38
Other non-cash expenses	0.87	-
Investment written off	-	0.10
Operating profit before working capital changes	118.84	(275.89)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade and Other receivables	148.67	(739.44)
Inventories	(26.94)	(704.18)
Adjustments for increase / (decrease) in operating liabilities:		
Trade and Other payables	(463.33)	2,679.46
Cash generated from operations	(222.76)	959.95
Net income tax (paid) / refunds	3.38	-
Net cash flow from/ (utilised) in operating activities (A)	(219.38)	959.95
Cash flow from investing activities		
Sale of Investments	-	340.46
Capital expenditure on fixed assets, including capital advances	(149.22)	(785.45)
Proceeds from sale of property, plant and equipment and intangible assets	7.30	-
Proceeds/(Investment) in fixed deposits with maturity of more than 3months (net)	(1,057.99)	(516.12)
Investments in joint venture	(400.71)	(525.80)
Interest received on Fixed Deposits	3.34	-
Net cash flow utilised in investing activities (B)	(1,597.28)	(1,486.91)
Cash flow from financing activities		
Proceeds from issue of equity shares	173.91	401.50
Proceeds from secured loans (net)	1,189.32	1,016.75
Payment of interest portion of lease liabilities	(141.99)	(18.71)
Payment of principal portion of lease liabilities	(44.13)	(39.15)
Proceeds from /(repayment of) intercompany loans	278.30	(820.00)
Interest paid on loans	(74.05)	(8.63)
Net cash flow generated from financing activities (C)	1,381.36	531.76
Net increase in cash and cash equivalents during the year (A+B+C)	(435.30)	4.80
Cash and cash equivalents at the beginning of the year	436.26	431.46
Cash and cash equivalents at the end of the year*	0.96	436.26
* Comprises		
Cash on hand	0.15	0.11
Balance with banks:		
- In current account	0.81	436.15
Total	0.96	436.26

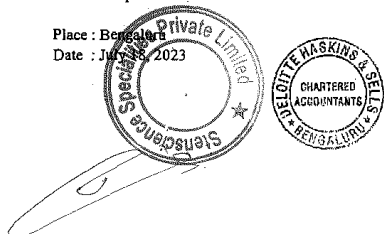
See accompanying notes forming part of the standalone financial statements

In terms of our report attached
 For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration Number: 008072S

For and on behalf of Board of Directors

Sathya P Koushik
 Partner
 Membership Number: 206920

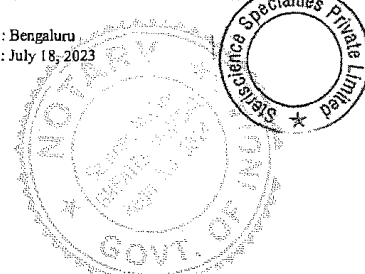
Place : Bengaluru
 Date : July 18, 2023



C Seetharamaiah
 Director
 DIN : 07405773

Tarun Kumar Singh
 Director
 DIN : 08854938

Place : Bengaluru
 Date : July 18, 2023



000772

Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)
 Standalone Statement of changes in equity for the year ended 31 Mar 2023
 (Amount in Rupees Million, except for shares data or as otherwise stated)

A Equity share capital

Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance at the end of the current reporting period
0.17	0.02	0.19

Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance at the end of the current reporting period
0.14	0.03	0.17

B Other equity

Current reporting period

Particulars	Reserves and Surplus			Total equity attributable to equity holders of the Company
	Capital Reserve	Securities premium account	Retained earnings	
Balance at the beginning of the current reporting period	24.74	763.42	(485.74)	302.42
Loss for the year	-	-	(406.81)	(406.81)
Premium received on shares issued during the year	-	173.89	-	173.89
Other comprehensive income/ (loss) for the year	-	-	2.00	2.00
Balance at the end of the current reporting period	24.74	937.31	(890.55)	71.50

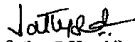
Previous reporting period

Particulars	Reserves and Surplus			Total equity attributable to equity holders of the Company
	Capital Reserve	Securities premium account	Retained earnings	
Balance at the beginning of the previous reporting period	-	361.96	(96.17)	265.79
Loss for the period	-	-	(385.05)	(385.05)
Premium received on shares issued during the period	-	401.46	-	401.46
Addition during the period	24.74	-	-	24.74
Other comprehensive income/ (loss) for the year	-	-	(4.52)	(4.52)
Balance at the end of the previous reporting period	24.74	763.42	(485.74)	302.42

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
 For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration Number: 008072S

For and on behalf of Board of Directors

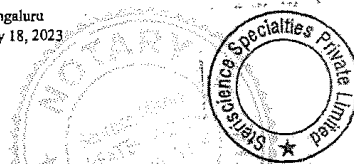

 Sathya P Koushik
 Partner
 Membership Number: 206920


 C. Seetharamaiah
 Director
 DIN : 07405773


 Tarun Kumar Singh
 Director
 DIN : 08854953

Place : Bengaluru
 Date : July 18, 2023

Place : Bengaluru
 Date : July 18, 2023



000773

Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
 Notes to the standalone financial statements for the year ended 31 Mar 2023
 (Amount in Rupees Million, except for shares data or as otherwise stated)

Note
 No.

1 Company information and Significant accounting policies

Sterisience Specialties Private Limited (the "Company") is a private limited Company incorporated on August 29, 2020 under the provisions of Companies Act, 2013 with the object of, inter alia, undertaking the business of development, manufacturing, marketing and distribution of niche pharmaceuticals products such as injectables for various markets. The Company has its registered address at 152/6 and 154/16, Dorasani Palya, Begur Hobli, Bannerghatta Road Bangalore, Karnataka-560076.

1.1 Basis of preparation and presentation

These financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has incurred losses during the year ended March 31, 2023 and as of that date, the Company's net current liabilities exceed its net current assets. Based on the future projection of the Company and the financial support from the Parent, the management of the Company is confident that the Company will be able to generate sufficient profit in the future years. Accordingly, the financial statements are prepared on a going concern basis.

Accounting policies have been consistently applied 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.

1.2 Use of estimates and judgements

In the application of the Company's accounting policies, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

(b) Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

(c) Impairment of financial assets

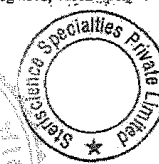
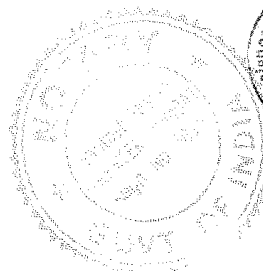
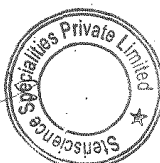
The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(d) Leases under Ind AS 116

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(e) Taxes

Deferred tax assets is recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



Note
No.

(f) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

1.3 Revenue recognition

Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon despatch of goods to the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

Sale of Services

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied over time is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion, provided there is no uncertainty as to measurement or collectability of the consideration. Revenue from development service is recognised on cost plus a mark up agreed with the customer.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the consideration that was paid in cash. Acquisition-related costs are generally recognised in statement of profit and loss as incurred.

Capital reserve is measured as the excess of the fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed and sum of the consideration transferred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19 Employee Benefits.

1.5 Foreign currencies transactions and translation

The functional currency of the Company is the Indian Rupee (Rs.).

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.



Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

1.6 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs include:

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

1.7 Employee benefits

Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- . service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- . net interest expense or income; and
- . remeasurement

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised 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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

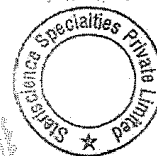
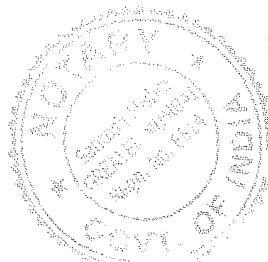
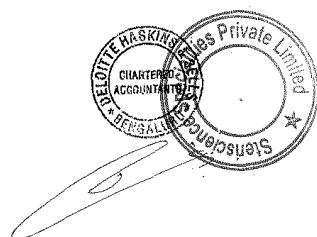
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



Note
No.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.9 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on the assets acquired through business combination has been provided on the straight-line method as per the useful life prescribed in the valuation report of the Independent Valuer.

Leasehold Improvement : Over primary lease period

Plant & Machinery : 3 - 15 years

Furniture : 2-10 years

Office Equipment : 2 - 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

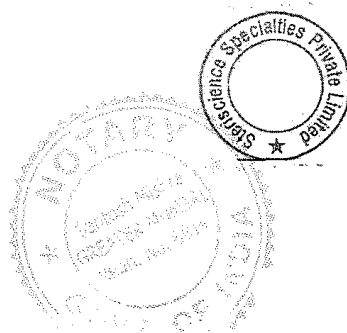
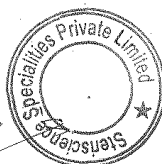
When an item of property, plant and equipment is acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets, the cost of that item is measured at fair value (even if the entity cannot immediately derecognise the asset given up) unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful lives of the assets are as follows:

Softwares : 5 Years



Note
No.

1.10 Leases

The Company as lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves—

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Company has entered into lease arrangements for its factory land and office premises. The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

1.11 Impairment of assets

Impairment of financial assets:

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Impairment of investment in subsidiaries and associates:

The Company reviews its carrying value of investments in subsidiaries and associates at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

1.12 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Inventories are valued at weighted average cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

1.13 Provisions

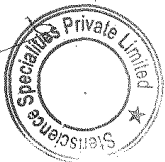
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



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Note
No.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1.14 Contingent liabilities

Contingent liabilities are disclosed in notes when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

1.15 Financial instruments

Other financial assets and financial liabilities

Other financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

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

Subsequent measurement:

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

1.16 Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The whole time directors, has been identified as the chief operating decision maker (CODM).

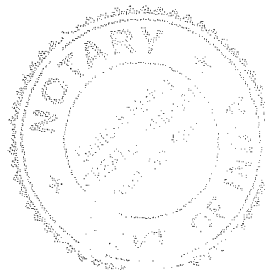
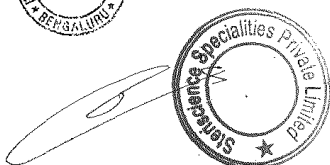
1.17 Earnings per share

Basic earnings per share are computed by dividing statement of profit and loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

1.18 Operating Cycle

Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.



Note
No.

2A Property, plant and equipment

Particulars	Gross block			Accumulated depreciation				Net block	
	As at April 2022	Addition	Deletion	As at 31 Mar 2023	As at April 2022	Depreciation for the year	Eliminated on disposal	As at 31 Mar 2023	As at 31 Mar 2022
Leasehold Improvement	89.33	9.69	-	99.02	2.96	9.49	-	12.45	86.37
	-	89.33	-	89.33	-	2.96	-	2.96	86.37
Furniture & Fixtures	9.47	2.01	-	11.48	1.27	2.17	-	3.44	8.04
	-	9.47	-	9.47	-	1.27	-	1.27	8.20
Office Equipments	3.80	7.48	-	11.28	1.83	2.40	-	4.23	7.05
	0.03	3.76	-	3.79	-	1.83	-	1.83	1.96
Computers and Accessories	9.76	8.84	-	18.60	4.15	3.35	-	7.50	11.10
	-	9.76	-	9.76	-	4.15	-	4.15	5.61
Plant & Machinery	665.44	20.57	(0.57)	685.44	37.18	77.19	(0.09)	114.28	571.16
	-	665.44	-	665.44	-	37.18	-	37.18	628.26
Electrical Installation	-	2.74	-	2.74	-	0.09	-	0.09	2.65
	-	-	-	-	-	-	-	-	-
Laboratory Apparatus	-	46.18	-	46.18	-	2.09	-	2.09	44.09
	-	-	-	-	-	-	-	-	-
Vehicles	0.17	0.55	-	0.72	0.01	0.04	-	0.05	0.67
	-	0.17	-	0.17	-	0.01	-	0.01	0.16
Servers & Networks	1.49	0.38	-	1.87	0.01	0.30	-	0.31	1.56
	-	1.49	-	1.49	-	0.01	-	0.01	1.48
Total	779.46	98.44	(0.57)	877.33	47.41	97.12	(0.09)	144.44	732.89
Previous year	0.03	779.42	-	779.45	-	47.41	-	47.41	732.04

Notes:-

(i) Figures in italics relate to previous year.

(ii) The above assets are owned by the company unless otherwise specified.

2B Right of use assets

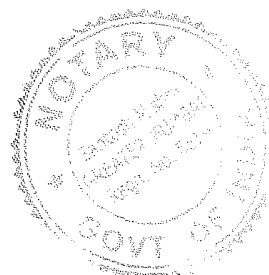
Particulars	Gross block			Accumulated depreciation				Net block	
	As at April 2022	Additions	Disposals	As at 31 Mar 2023	As at April 2022	Depreciation for the year	Eliminated on disposal	As at 31 Mar 2023	As at 31 Mar 2022
Buildings	841.51	1,256.01	-	2,097.52	56.97	204.76	-	261.73	1,835.79
	-	841.51	-	841.51	-	56.97	-	56.97	784.54
Total	841.51	1,256.01	-	2,097.52	56.97	204.76	-	261.73	1,835.79
Previous year	-	841.51	-	841.51	-	56.97	-	56.97	784.54

Notes:-

(i) Figures in italics relate to previous year.



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Note
No.

2C Capital work in progress

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Opening Balance	2.47	-
Add: Additions during the year	126.26	781.89
Less: Capitalised during the year	(98.44)	(779.42)
Closing Balance	30.29	2.47

Capital work in progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	Greater than 3 years	
March 31, 2023					
Projects in progress	30.29	-	-	-	30.29
Projects temporarily suspended	-	-	-	-	-
Total	30.29	-	-	-	30.29
March 31, 2022					
Projects in progress	2.47	-	-	-	2.47
Projects temporarily suspended	-	-	-	-	-
Total	2.47	-	-	-	2.47

Note:-

(i) None of the above are overdue in terms of budget or timelines.

2D Other intangible asset

Particulars	Gross block				Accumulated depreciation				Net block	
	As at April 2022	Additions	Disposals	As at 31 Mar 2023	As at April 2022	Depreciation for the year	Eliminated on disposal	As at 31 Mar 2023	As at 31 Mar 2023	As at 31 Mar 2022
Software	76.20	63.10	(6.76)	132.54	2.98	22.62	(1.33)	24.27	108.26	73.22
	-	76.20	-	76.20	-	2.98	-	2.98	73.22	-
Total	76.20	63.10	(6.76)	132.54	2.98	22.62	(1.33)	24.27	108.26	73.22
Previous year	-	76.20	-	76.20	-	2.98	-	2.98	73.22	-

Notes:-

(i) Figures in italics relate to previous year.

(ii) The above assets are owned by the company unless otherwise specified.

2E Intangible assets under development

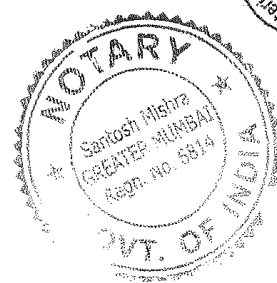
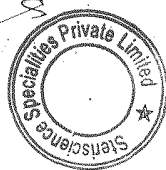
Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Opening Balance	2.48	-
Add: Additions during the year	69.53	78.68
Less: Capitalised during the year	(63.10)	(76.20)
Closing Balance	8.91	2.48

Intangible assets under development ageing schedule

Particulars	Amount in IUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	Greater than 3 years	
March 31, 2023					
Projects in progress	8.91	-	-	-	8.91
Projects temporarily suspended	-	-	-	-	-
Total	8.91	-	-	-	8.91
March 31, 2022					
Projects in progress	2.48	-	-	-	2.48
Projects temporarily suspended	-	-	-	-	-
Total	2.48	-	-	-	2.48

Note:-

(i) None of the above are overdue in terms of budget or timelines.



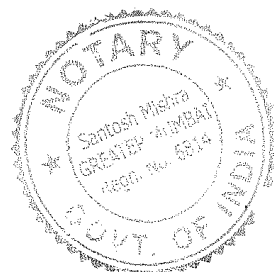
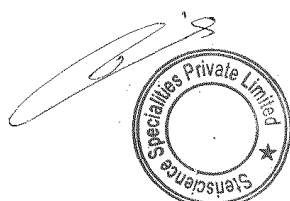
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Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note No.	Particulars	As at 31 Mar 2023			As at 31 Mar 2022		
		Qty	Amount		Qty	Amount	
			Current	Non-Current		Current	Non-Current
3	Investments						
	(A) Investments in joint ventures (carried at cost):						
	Equity shares, unquoted						
	Brooks Sterisience Limited (refer note i below)	1,14,490	-	1,144.90	1,14,490	-	744.19
	- 114,490 shares of Rs.10,000/- each fully paid up, (PY - 114,490 shares of Rs.10,000/- each out of which Rs 6,500 each has been paid up)						
	Steribrooks Penems Private Limited	10,000	-	0.10	10,000	-	0.10
	- 10,000 shares of Rs 10 each fully paid up (PY - 10,000 shares)						
	Less: Provision for impairment (refer note ii below)	-	-	(0.10)	-	-	(0.10)
	Net Value	10,000	-	-	10,000	-	-
	Total	1,24,490	-	1,144.90	1,24,490	-	744.19
	Aggregate carrying value of unquoted investments		-	1,144.90		-	744.19
	Aggregate amount of investments carried at cost		-	1,144.90		-	744.19

Notes:

- (i) During the previous year, the investment in Optionally Convertible Preference Shares of Brooks Sterisience Limited has been converted to equity shares on preferential basis at an issue price of Rs.10,000/- including a premium of Rs.9,990/- per equity shares. Out of which, Rs.6,500/- per share was paid as of 31 Mar 2022 and balance amount of Rs. 3,500 per share towards paid up share capital was paid during the financial year ended 31 Mar 2023.
- (ii) During the previous year, the Company impaired its investment made in Steribrooks Penems Private Limited.
- (iii) As consolidated financial statements is being prepared by Tenshi Pharmaceuticals Private Limited, the Parent company (refer note 33), the Company, by way of exemption available as per para 4 of Ind AS 110 Consolidated Financial Statements has opted not to prepare consolidated financial statements.



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Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

4 Other financial assets

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
Interest accrued on loans given to related parties	2.02	-	1.94	-
Interest accrued on bank deposits	8.52	-	0.86	-
Security deposit	3.08	76.15	0.90	81.98
Total	13.62	76.15	3.70	81.98

5 Other assets

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
Capital advances	-	15.75	-	37.43
Advances to suppliers	58.40	-	61.65	-
Prepaid expenses	34.38	1.96	35.34	0.43
Advance to employees	8.26	6.70	15.04	-
Other receivable	-	-	192.07	-
Balances with Government authorities:				
- GST credit receivable	254.36	-	334.05	-
- TDS & TCS receivable	9.53	-	3.21	-
Total	364.93	24.41	641.36	37.86

6 Inventories

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Raw materials (including goods in transit)	589.28	695.22
Work-in-progress	81.69	4.83
Finished goods (including goods in transit)	121.82	65.80
Total	792.79	765.85

7 Trade receivables

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Undisputed trade receivables - considered good	519.96	391.78
Less: Allowance for credit loss	519.96	391.78
Total	519.96	391.78

Trade receivables ageing schedule as at 31 Mar 2023

Particulars	Not Due	Outstanding for following periods from due date of payment						As at 31 Mar 2023
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
Undisputed trade receivables - considered good	367.03	145.14	7.37	0.42	-	-	519.96	
	367.03	145.14	7.37	0.42	-	-	519.96	

Trade receivables ageing schedule as at 31 Mar 2022

Particulars	Not Due	Outstanding for following periods from due date of payment						As at 31 Mar 2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
Undisputed trade receivables - considered good	316.34	56.62	18.82	-	-	-	391.78	
	316.34	56.62	18.82	-	-	-	391.78	

8 Cash and cash equivalents

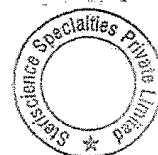
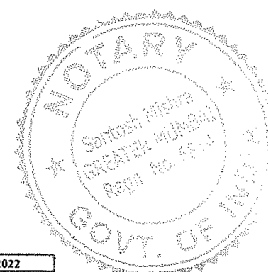
Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Cash on hand	0.15	0.11
Balance with banks:		
- in current accounts	0.81	436.15
Total	0.96	436.26

9 Bank balances (other than cash and cash equivalents)

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
In deposit accounts	180.12	295.77
In earmarked accounts:		
- Balance held as margin money against working capital facilities with banks	1,426.90	220.00
Total	1,607.02	515.77

10 Loans receivable

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
Loan to related party (Refer note 34)	10.20	-	-	-
Total	10.20	-	-	-



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Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note No.	Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
		No. of shares	Amount	No. of shares	Amount
11	(a) Equity share capital				
	Authorised				
	Equity shares of Rs. 10/- each	1,50,000	1.50	1,50,000	1.50
	Issued, subscribed and fully paid-up				
	Equity shares of Rs. 10/- each	18,736	0.19	17,479	0.17
	Total	18,736	0.19	17,479	0.17
	Issued, subscribed and partly paid up				
	Equity shares of Rs. 0.1/- each	486	0.00	-	-
	Total	486	-	-	-
	Grand Total	19,222	0.19	17,479	0.17

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	No. of shares	Amount	No. of shares	Amount
Compulsorily Convertible Preference Shares				
Authorised				
Preference shares of Rs. 10/- each	4,00,000	4.00	4,00,000	4.00
Issued, subscribed and fully paid-up				
Preference shares of Rs. 10/- each	-	-	-	-
Total	-	-	-	-

(i) Reconciliation of number of shares and amount outstanding:

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10/- each				
Opening balance	17,479	0.17	13,546	0.14
Add: Shares issued during the year	1,743	0.02	3,933	0.03
Closing balance	19,222	0.19	17,479	0.17

(ii) Detail of the rights, preferences and restrictions attaching to each class of shares:

Equity shares of Rs. 10/- each

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval by the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

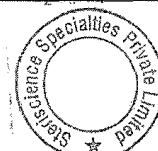
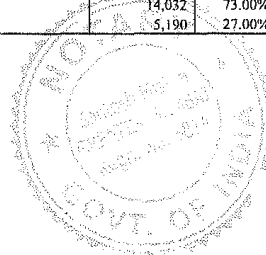
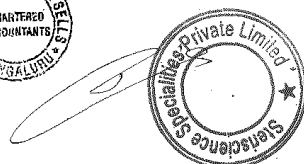
(iii) Shares held by promoters at the end of the year:

Promoter name	As at 31 Mar 2023			As at 31 Mar 2022		
	Number of shares	% of total shares	% Change during the Year	Number of shares	% of total shares	% Change during the Year
Tenshi Pharmaceuticals Private Limited (refer note 34)	14,032	73%	-4%	13,546	77%	0%

(iv) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the years preceding 31 Mar 2023.

(v) Details of equity shares held by each shareholder holding more than 5% of equity shares:

Name of the shareholder	As at 31 Mar 2023		As at 31 Mar 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 10/- each				
Tenshi Pharmaceuticals Private Limited (refer note 34)	14,032	73.00%	13,546	77.50%
Medella Holdings Pte. Ltd	5,190	27.00%	3,933	22.50%



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Note

No.

12 Other equity

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Capital reserve (Refer note (i) below)	24.74	24.74
Securities premium account (Refer note (ii) below)	937.31	763.42
Retained earnings (Refer note (iii) below)	(890.55)	(485.74)
Total	71.50	302.42

(i) Capital reserve

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Capital Reserve comprises of bargain purchase gain on business combination.		
Opening balance	24.74	-
Addition during the year (Refer note 35A)	-	24.74
Closing balance	24.74	24.74

(ii) Securities premium account

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	763.42	361.96
Add: Premium on shares issued during the year (Refer note below)	173.89	401.46
Closing balance	937.31	763.42

Note:

During the year, the company has issued 486 partly paid equity shares of Rs. 10/- each at a premium of Rs. 1,37,805/- per equity share to Tenshi Pharmaceuticals Private Limited (refer note 34) on a private placement basis through preferential allotment and 1,257 fully paid equity shares of Rs. 10/- each at a premium of Rs. 1,37,805/- per equity share to Medella Holdings Pte. Ltd through rights issue.

(iii) Retained earnings

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	(485.74)	(96.17)
Add: Net loss attributable to owners of the Company	(406.81)	(385.05)
Add: Other comprehensive income / (loss)	2.00	(4.52)
Closing balance	(890.55)	(485.74)
Total reserves and surplus	71.50	302.42

13 Borrowings

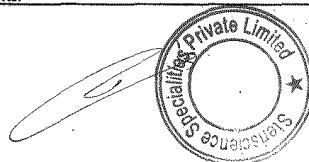
Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non-Current	Current	Non-Current
Secured borrowings:				
Term loan from bank	79.96	618.21	-	697.90
Working capital borrowings from a bank	650.09	-	321.00	-
Overdraft	860.23	-	-	-
Subtotal	1,590.28	618.21	321.00	697.90
Unsecured borrowings:				
Loan from related party (Refer note 34)	307.32	-	18.82	-
Subtotal	307.32	-	18.82	-
Total	1,897.60	618.21	339.82	697.90

Terms of repayment and security-Secured term loan, working capital borrowing and overdraft facility from a bank	As at 31 Mar 2023	As at 31 Mar 2022
Non-current borrowings	618.21	697.90
Current maturities of non-current borrowings	1,590.28	321.00
Security: Pari-Passu charge on the assets of the Company and fixed deposit.		
Rate of interest: LIBOR+ Spread of 1.5 %		
Repayment to be made over 28 quarterly instalments starting from starting April 2023.		

Terms of Loan from related party	As at 31 Mar 2023	As at 31 Mar 2022
Non-current borrowings	-	-
Current borrowings	307.32	18.82
Security: The loan from related party is unsecured in nature.		
Rate of interest: Interest which shall not be less than the average REPO rate as per RBI and the same shall be reviewed on a quarterly basis.		
Repayment : Repayable within one year from the date of remittance.		

14 Lease liabilities

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non-Current	Current	Non-Current
Lease liabilities (Refer note 28)	57.22	1,893.30	127.14	640.71
Total	57.22	1,893.30	127.14	640.71



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Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

15 Other financial liabilities

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Interest accrued but not due on loans	38.92	-	15.80	-
Interest accrued on MSME vendors	2.83	-	0.12	-
Payable on account of business purchase (Refer note below)	-	117.90	117.90	-
Employee related payables	50.97	-	31.91	-
Creditors for capital supplies/services (includes MSME of Rs. 3.73 Million as at 31 Mar 2023; Rs. 0.01 Million as at 31 Mar 2022)	28.51	-	3.62	-
Total	121.23	117.90	169.35	-

Note:

The payable is towards the Business Transfer Agreement entered by the Company with Tenshi Pharmaceuticals Private Limited (refer note 34) in the FY 2020-21. Pursuant to settlement arrangement entered between parties during the year, the payable is due to be settled on or before 31 Mar 2025 and accordingly payable is disclosed as non-current as at 31 Mar 2023.

16 Provisions

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Gratuity (Refer note 33)	-	22.91	11.83	130.39
Compensated absences	5.52	39.48	3.83	34.93
Total	5.52	62.39	15.66	165.32

17 Other Liabilities

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Deferred revenue	818.86	539.51	628.78	1,050.06
Advance from customers	1.54	-	-	-
Statutory liabilities	22.80	-	21.05	-
Total	843.20	539.51	649.83	1,050.06

18 Trade payables

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Dues of micro and small enterprises (Refer note (i) below)	25.60	-	2.87	-
Dues of other than micro and small enterprises	1,017.71	-	1,052.25	-
Total	1,043.31	-	1,055.12	-

Trade payables ageing schedule as at 31 Mar 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				As at 31 Mar 2023
		Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	15.08	10.52	-	-	-	25.60
(ii) Others	237.21	653.41	90.05	37.05	-	1,017.71
	252.29	663.93	90.05	37.05	-	1,043.31

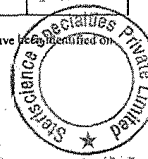
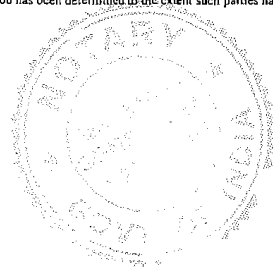
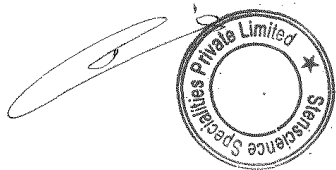
Trade payables ageing schedule as at 31 Mar 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				As at 31 Mar 2022
		Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	1.19	1.68	-	-	-	2.87
(ii) Others	407.54	607.66	37.05	-	-	1,052.25
	408.73	609.34	37.05	-	-	1,055.12

(i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
(a) The principal amount due to micro and small enterprises remaining unpaid to any supplier as at the end of each year		
- Principal amount due to micro and small enterprises (including capital creditors of Rs. 3.73 Million as at 31 Mar 2023; Rs. 0.01 Million as at 31 Mar 2022)	29.33	2.88
- Interest due on the above	0.11	0.01
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	38.80	13.82
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	2.60	0.11
(d) The amount of interest accrued and remaining un-paid at the end of each accounting year	2.71	0.12
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	2.83	0.12

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.



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Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)

Notes to the standalone financial statements for the year ended 31 Mar 2023

(Amount in Rupees Million, except for shares data or as otherwise stated)

Note No.	Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
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19	Revenue from operations		
	Sale of products	1,711.79	345.45
	Sale of services	1,398.00	324.96
	Other operating revenue - Sale of scrap	2.16	3.82
	Total	3,111.95	674.23

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by nature of services. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Sale of products- Export	1,402.55	228.13
Sale of products- Domestic	309.24	117.32
Sale of service - Export	1,291.41	306.96
Sale of service - Domestic	106.59	18.00
Total	3,109.79	670.41

Disaggregated revenue information

- (a) In the following table, revenue from contracts with customers is disaggregated by primary geographical market

Revenue from contracts with customers

Singapore	2,679.22	523.52
India	417.98	144.96
Poland	13.46	5.75
Italy	1.29	-
Total	3,111.95	674.23

Geographical revenue is allocated based on the location of the customers.

- (b)
- Revenue from major customers**

Revenue from two customer of the Company is Rs. 3,071.67 Mio (PY : 633.13 Mio) which is individually more than 10 percent of the Company's total revenue.

Particulars	For the year ended 31 Mar 2023		For the year ended 31 Mar 2022	
	Percentage	Amount	Percentage	Amount
Customer -1	86%	2,679.21	78%	523.52
Customer -2	13%	392.46	16%	109.61

- 20
- Other income**

Interest from banks on deposits	49.16	11.71
Interest on intercompany loan	0.09	2.15
Interest on income tax refund	0.13	-
Gain on sale of investment (refer note given below)	-	9.53
Net profit on sale of asset	1.39	-
Interest Income from financial assets	4.42	1.99
Gain on forward contract cancellation	-	1.46
Others	0.01	0.06
Total	55.20	26.90

Note:

The Company had entered into a Share Transfer Agreement on March 09, 2021 for sale of 4,500,000 shares in Steriscience Pte. Ltd, Singapore to Six Rays Holdings Pte Ltd for a consideration of USD 4.55 Million. Pursuant to the above agreement, Company has transferred the shares during FY 21-22 at a profit of INR 9.53 Million.

- 21
- Cost of materials consumed**

Opening stock	695.22	61.66
Add: Purchases	1,219.22	965.12
Less: Closing stock	589.28	695.22
Total	1,325.16	331.56

- 22
- Changes in inventories of finished goods and work-in-progress**

Inventories at the end of the year:

- Finished goods	121.82	65.80
- work-in-progress	81.69	4.82

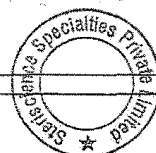
Inventories at the beginning of the year:

- Finished goods	65.80	-
- work-in-progress	4.82	-

Net (increase) / decrease	(132.89)	(70.62)
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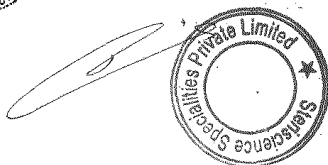
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Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)

Notes to the standalone financial statements for the year ended 31 Mar 2023

(Amount in Rupees Million, except for shares data or as otherwise stated)

Note No.	Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
23	Employee benefits expense		
	Salaries and wages	758.52	299.93
	Contribution to provident and other funds	64.01	22.31
	Staff welfare expenses	46.30	8.65
	Total	868.83	330.89
24	Finance costs		
	Interest on intercompany loan	11.99	5.69
	Interest on leases	141.99	18.71
	Interest on bank borrowings	88.00	2.17
	Interest on delayed payments to MSME vendors	2.71	0.12
	Other finance costs	9.66	0.71
	Total	254.35	27.41
25	Depreciation and amortisation expense		
	Depreciation on Property, plant and equipment	97.12	47.41
	Depreciation on Right of use assets	204.76	56.97
	Amortisation of intangible assets	22.62	2.98
	Total	324.50	107.36
26	Other expenses		
	Consumables	100.02	107.99
	Rent	7.67	1.40
	Power charges	152.41	58.51
	Water charges	13.94	3.12
	Analytical and testing charges	72.02	29.48
	Security and housekeeping charges	43.81	12.31
	Rates and taxes	44.54	12.12
	Freight and forwarding	28.82	9.69
	Printing and stationery	7.43	3.04
	Insurance	26.20	12.62
	Staff recruitment expenses	7.45	8.01
	Business promotion	14.69	0.06
	Legal and professional fees	110.10	54.76
	Payments to statutory auditors (Refer note (i) below)	2.16	1.85
	Repairs and maintenance		
	Building	11.97	0.29
	Machinery	118.78	11.96
	IT	38.11	10.84
	Travelling and conveyance	22.29	6.70
	Communication expenses	11.74	0.39
	Environmental and safety expenses	13.95	3.72
	Net loss on foreign currency transactions	48.61	10.27
	Loss on forwards contract cancellation	36.16	-
	Investment written off	-	0.10
	Miscellaneous expenses	1.14	0.34
	Total	934.01	359.58
(i)	Payments to the Statutory Auditors comprises (net of taxes) for:		
	Audit of financial statements	2.10	1.80
	Other services	0.06	0.05
	Total	2.16	1.85



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Steriscience Specialties Private Limited (CIN:U14304KA2020FTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

27 Tax expenses

Current tax: During the year, the Company does not have taxable income as per regular computation and as per minimum alternate tax under Sec 115JB of the Income Tax Act 1961.
Deferred tax: The Company has incurred losses in the current year. In the absence of reasonable certainty that future taxable profits would be available for set off of such deferred tax assets, the Company has not recognized any deferred tax asset as at March 31, 2023.

28 Leases

Company as a lessee : The Company has entered into lease arrangements for land and office buildings. Refer Note 1.10 for the accounting policies adopted by Company respectively in respect of Ind AS 116.

Movement in lease liabilities during the year:

Lease liabilities		
Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Opening balance	767.85	-
Additions	1,226.80	807.00
Interest	141.99	18.71
Lease payments	(186.12)	(57.86)
Closing balance	1,950.52	767.85
Current	57.22	127.14
Non-current	1,893.30	640.71

Maturity analysis of OLL (undiscounted)	As at 31 Mar 2023			As at 31 Mar 2022		
	1 year	1 to 5 years	More than 5 years	1 year	1 to 5 years	More than 5 years
Building	196.07	1,351.07	1,261.25	177.69	729.07	-
Note						

The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

29 Commitments and Contingent liabilities (to the extent not provided for)

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
a) Contingent liabilities	-	-
b) Commitments - Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	48.18	421.07

30 Earnings per share:

Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Loss attributable to the equity holders of the Company	(406.81)	(385.05)
Weighted average number of equity shares used as denominator in calculating earnings per share	17,998	17,134
Add: Conversion of dilutive instruments	-	-
Weighted average number of equity shares for diluted earnings per share	17,998	17,134
Basic earnings per share (Amount in Rs.)	(22,603.07)	(22,472.86)
Diluted earnings per share (Amount in Rs.)	(22,603.07)	(22,472.86)

31 Segment Information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assessing performance.

The Company is mainly engaged in the business of Pharmaceuticals. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz: Pharmaceutical.

Geographical Information

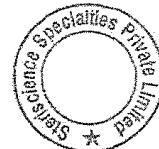
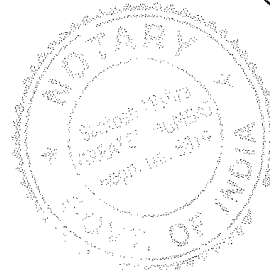
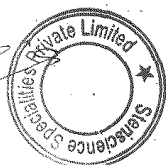
(i) Revenue from Operation

Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Singapore	2,679.22	523.52
India	417.98	144.96
Poland	13.46	5.75
Italy	1.29	-
Total Revenue	3,111.95	674.23

(ii) Non-current assets*

Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
India	2,740.55	1,632.61
Total	2,740.55	1,632.61

*Non-current assets do not include financial assets under financial instruments.



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Note
No.

32 Financial instruments

32.01 Categories of financial instruments

Particulars	As at 31 Mar 2023		As at 31 Mar 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Measured at amortised cost				
Cash and bank balances	1,607.98	1,607.98	952.03	952.03
Trade receivables	519.96	519.96	391.78	391.78
Other financial assets at amortised cost	89.77	89.77	85.68	85.68
Financial liabilities:				
Measured at amortised cost				
Borrowings	2,515.81	2,517.64	1,037.72	1,039.82
Lease liabilities	1,950.52	1,950.52	767.85	767.85
Trade payables	1,043.31	1,043.31	1,055.12	1,055.12
Other financial liabilities	121.23	121.23	169.35	169.35

The management assessed that the carrying amounts of financial assets and financial liabilities recognised in the financial statements at amortised cost will reasonably approximate their fair values.

32.02 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

32.03 Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

32.04 Foreign currency risk management

The Company is exposed to foreign exchange risk due to:

- exposures arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency (i.e. Indian rupees).

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:

Exposure to the Currency	As at 31 Mar 2023		As at 31 Mar 2022	
	Receivable/ (payable) in foreign currency	Receivable/ (payable) in Rs.	Receivable/ (payable) in foreign currency	Receivable/ (payable) in Rs.
USD (In Million)	3.49	287.36	(2.97)	(225.35)
CAD (In Million)	(0.04)	(2.46)	(0.01)	(0.74)
EUR (In Million)	(0.35)	(29.97)	(0.08)	(7.32)
GBP (In Million)	(0.00)	(0.17)	(0.08)	(7.32)

32.05 Foreign currency sensitivity analysis

Financial instruments affect Financial instruments affected by changes in foreign exchange rates include payables in foreign currencies. The Company considers US Dollar and Canadian Dollar to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against Rs. is given below:

Exposure to the Currency	As at 31 Mar 2023	As at 31 Mar 2022
	Increase / (Decrease) in Equity	Increase / (Decrease) in Equity
Appreciation in the USD	14.37	(11.27)
Depreciation in the USD	(14.37)	11.27
Appreciation in the CAD	(0.12)	(0.04)
Depreciation in the CAD	0.12	0.04
Appreciation in the EUR	(1.50)	(0.37)
Depreciation in the EUR	1.50	0.37
Appreciation in the GBP	0.01	0.37
Depreciation in the GBP	(0.01)	(0.37)

The impact on profit has been arrived at by applying the effects of appreciation / depreciation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purpose of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at each year end.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.



Note
No.

32.06 Interest rate risk management

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Fixed-rate instruments		
Financial assets		
Balance with banks held in deposit account	1,607.02	515.77
Total	1,607.02	515.77
Variable-rate instruments		
Financial liabilities		
Borrowings from bank	2,208.49	1,018.90
Loan from related party	307.32	18.82
Total	2,515.81	1,037.72

32.07 Financial risk management

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company has an internal mechanism of determining the credit rating of the customers and setting credit limits. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company is not significantly exposed to geographical credit risk as the counterparties operate across various countries across the globe.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity analysis for Non-Derivative Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include repayment of principal amounts. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial liabilities	Due within (years)			Total	Carrying value
	< 1 Year	1 to 3 Years	> 3 Years		
Borrowings (including inter-company loan)					
- As on March 31, 2023	1,897.60	279.38	340.66	2,517.64	2,515.81
- As on March 31, 2022	339.82	281.33	418.47	1,039.62	1,037.72
Interest payable on borrowings					
- As on March 31, 2023	38.92	-	-	38.92	38.92
- As on March 31, 2022	15.80	-	-	15.80	15.80
Lease liabilities					
- As on March 31, 2023	196.07	421.16	2,191.16	2,808.39	1,950.52
- As on March 31, 2022	177.69	387.75	345.30	910.74	767.85
Trade and other payable					
- As on March 31, 2023	1,164.54	-	-	1,164.54	1,164.54
- As on March 31, 2022	1,224.47	-	-	1,224.47	1,224.47

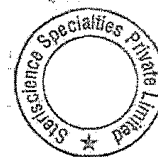
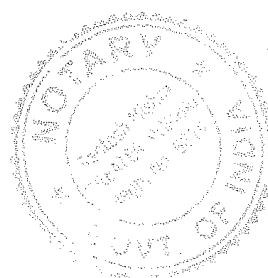
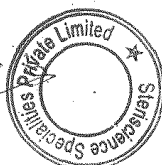
32.08 Capital management

The Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity. The company has not met with few of financial covenants prescribed but company is not expecting any interest or penalty for the same. The Company is not subject to any externally imposed capital requirements.

32.09 Gearing ratio

The gearing ratio at end of the reporting period was as follows:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Debt (including lease liabilities)	4,466.33	1,805.57
Less:		
Cash and bank balances	(1,607.98)	(952.03)
Net debt (A)	2,858.35	853.54
Total equity (B)	71.69	302.59
Net debt to equity ratio (A/B)	39.87	2.82



Note

No.

33 Employee Benefits Plans

Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. The Company recognised Rs.40.61 Million (previous year: 14.86 Million) for provident fund contributions, Rs.0.06 Million in the previous year for employee state insurance scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

The Company operates a gratuity plan, a defined employee benefit scheme covering qualifying employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Composition of the plan assets

The scheme is funded through a trust and the fund is managed by LIC, the fund manager. The details of composition of plan assets managed by the fund manager is not available with the Company. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.).

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	31-Mar-23	31-Mar-22
Discount rate(s)	7.42%	6.96%
Expected rate(s) of salary increase	8.00%	8.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age (years)	58	58

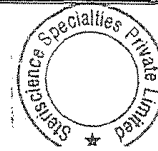
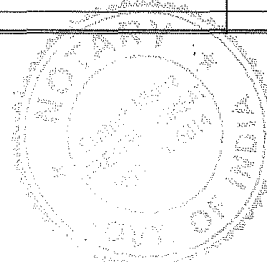
Amounts recognised in Statement of Profit and loss and in other comprehensive income in respect of this defined benefit plans are as follows:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Service cost:		
Current service cost	13.95	4.31
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	9.45	3.08
Components of defined benefit costs recognised in statement of profit and loss	23.40	7.39
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	(2.19)	-
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.22)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(4.35)	-
Actuarial (gains) / losses arising from experience adjustments	5.76	4.52
Components of defined benefit costs recognised in other comprehensive income	(2.00)	4.52
Total	21.40	11.91

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Present value of funded defined benefit obligation	157.98	143.42
Fair value of plan assets	(135.07)	(1.20)
Funded status	22.91	142.22
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	22.91	142.22



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Note
No.

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Opening defined benefit obligation	143.42	0.26
Add: Acquisition / (disposal)	-	131.59
Expenses recognised in statement of profit and loss		
Current service cost	13.95	4.31
Past service cost and (gain)/loss from settlements	-	-
Interest cost	9.53	3.08
Remeasurement (gains)/losses		
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.22)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(4.35)	-
Actuarial (gains) / losses arising from experience adjustments	5.76	4.52
Benefits paid	(9.11)	(0.34)
Closing defined benefit obligation	157.98	143.42

Change in fair value of plan assets:

Particulars	As at 31 Mar 2023	As at 31 Mar 2022
Fair value of plan assets at end of prior year	1.20	-
Expected return on plan assets	0.08	-
Employer contributions	-	1.20
Acquisition / Divestiture	131.60	-
Actuarial gain/(loss) on plan assets	2.19	-
Fair value of plan assets at end of year	135.07	1.20

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

Principal assumption	Year	Changes in assumption	Gratuity	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2023	100bps	149.25	167.74
	2022	100bps	133.75	154.41
Salary growth rate	2023	100bps	166.65	149.94
	2022	100bps	153.52	134.24

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

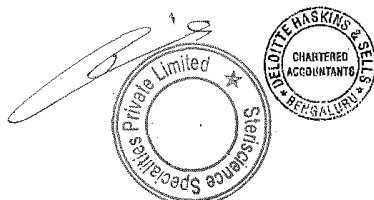
Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows towards the plan are as follows:-

Financial Year	As at 31 Mar 2023	As at 31 Mar 2022
Year 1	21.00	13.03
Year 2	19.38	13.52
Year 3	20.94	14.40
Year 4	15.52	16.97
Year 5	17.99	11.83
Years 6 to 10	76.86	74.78
Above 10 years	99.16	121.88



Note

No.

34 Related party information:

34.01 List of related parties:

- (i) **Controlling parties**
Tenshi Pharmaceuticals Private Limited, Parent Company (refer note (a) below)
Arun Kumar Pillai, Promoter
- (ii) **Jointly controlled entities**
Sterisience Peacens Private Limited
Brooks Sterisience Limited
- (iii) **Directors and Key Management Personnel:**
Aditya Arun Kumar, Director
Tarun Singh, Wholetime Director
C. Soetharamsiah, Director
Ankur Nand Thadani, Director
Mahadevan Narayanamoni, Director
Necraj Sharma, Additional Director
- (iv) **Fellow subsidiaries**
Tenshi Kaizen Private Limited
Six Rays Holdings Pte Limited
Sterisience Pte Limited
Sterisience R.V., Netherlands
Sterisience Sp. Z o.o.
- (v) **Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.**
Stelis Biopharma Limited
Strides Pharma Science Limited
Strides Pharma Canada Inc
Arcolab Private Limited
Chayadeep Properties Private Limited
Solara Active Pharma Sciences Limited
Karuna Business Solutions LLP

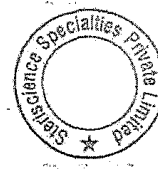
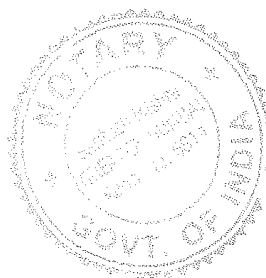
Notes:

a) Pursuant to scheme of amalgamation approved by relevant regulatory authority on November 29, 2022, Tenshi Life Sciences Private Limited ("TLSPL") and Karuna Healthcare Private Limited ("KHPL") have been merged into Tenshi Pharmaceuticals Private Limited. The Company has filed the scheme approval copy with the Registrar of Companies on January 06, 2023.

b) Related parties are as identified by the Company and relied upon by the Auditors.

34.02 Transactions for the Year

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Equity shares										
Tenshi Pharmaceuticals Private Limited	0.67	-	-	-	-	-	-	-	-	-
Loan taken from										
Tenshi Pharmaceuticals Private Limited	305.00	-	-	-	-	-	-	-	-	-
Loan refunded										
Tenshi Pharmaceuticals Private Limited	16.50	828.63	-	-	-	-	-	-	-	-
Interest expense accrued										
Tenshi Pharmaceuticals Private Limited	11.99	5.69	-	-	-	-	-	-	-	-
Loan given to										
Brooks Sterisience Limited	-	-	10.20	100.00	-	-	-	-	-	-
Loan converted to equity investment										
Brooks Sterisience Limited	-	-	-	100.00	-	-	-	-	-	-
Receivable converted to equity investment										
Brooks Sterisience Limited	-	-	-	145.60	-	-	-	-	-	-

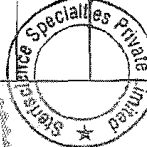
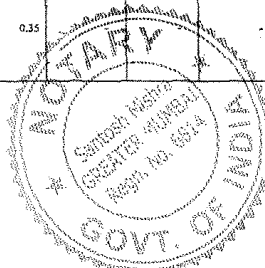
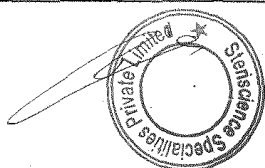


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Steriscience Specialties Private Limited (CIN: U24304KA2020PTC137884)
 Notes to the standalone financial statements for the year ended 31 Mar 2023
 (Amount in Rupees Million, except for shares data or as otherwise stated)

Note
 No.

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Interest income										
Brooks Steriscience Limited	-	-	0.09	2.15	-	-	-	-	-	-
Investments in equity shares										
Write off of investment in Steribooks Pencoms Private Limited	-	-	-	0.10	-	-	-	-	-	-
Sale of equity shares Steriscience Pte. Ltd to - Sik Rays Holding Pte Limited	-	-	-	-	-	-	-	340.46	-	-
Brooks Steriscience Limited	-	-	400.71	298.59	-	-	-	-	-	-
Investments in optionally convertible preference shares										
Brooks Steriscience Limited	-	-	-	100.00	-	-	-	-	-	-
Investments in optionally convertible preference shares Converted to Equity Investment										
Brooks Steriscience Limited	-	-	-	200.00	-	-	-	-	-	-
Sale of goods										
Steriscience Sp. Z o.o.	-	-	-	-	-	-	3.43	5.75	-	-
Steriscience Pte. Limited	-	-	-	-	-	-	1,399.12	216.56	-	-
Stelis Biopharma Limited	-	-	-	-	-	-	-	-	0.61	7.71
Brooks Steriscience Limited	-	-	52.88	-	-	-	-	-	-	-
Sterides Pharma Science Limited	-	-	-	-	-	-	-	-	0.18	-
Sales return										
Brooks Steriscience Limited	-	-	51.99	-	-	-	-	-	-	-
Sale of service										
Brooks Steriscience Limited	-	-	21.88	18.00	-	-	-	-	-	-
Steriscience Pte. Limited	-	-	-	-	-	-	1,280.09	306.96	-	-
Steriscience Sp. Z o.o.	-	-	-	-	-	-	10.03	-	-	-
Sale of asset										
Brooks Steriscience Limited	-	-	3.38	-	-	-	-	-	-	-
Steriscience Sp. Z o.o.	-	-	-	-	-	-	3.42	-	-	-
Purchase of goods										
Solara Active Pharma Sciences Limited	-	-	-	-	-	-	-	-	0.06	49.20
Sterides Pharma Science Limited	-	-	-	-	-	-	-	-	47.63	0.14
Stelis Biopharma Limited	-	-	-	-	-	-	-	-	1.80	90.72
Steriscience Sp. Z o.o.	-	-	-	-	-	-	43.37	34.71	-	-
Research & development service										
Stelis Biopharma Limited	-	-	-	-	-	-	-	-	14.14	-
Purchase returns of goods										
Tenshi Pharmaceuticals Private Limited	-	21.14	-	-	-	-	-	-	-	-
Stelis Biopharma Limited	-	-	-	-	-	-	-	-	5.11	-
Business support services & IT expense										
Tenshi Pharmaceuticals Private Limited	21.62	17.76	-	-	-	-	-	-	-	-
Arcelab Private Limited	-	-	-	-	-	-	-	-	92.60	13.92
Security deposit paid										
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	-	75.86
Chayadep Properties Private Limited	-	-	-	-	-	-	-	-	4.19	6.60
Rent										
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	101.14	33.71
Chayadep Properties Private Limited	-	-	-	-	-	-	-	-	28.27	6.14
Employee cost										
Tarun Singh	-	-	-	-	21.90	17.50	-	-	-	-
Reimbursement of expenses										
Tenshi Kaizen Private Limited	-	-	-	-	-	-	-	0.19	-	-
Tenshi Pharmaceuticals Private Limited	-	0.15	-	-	-	-	-	-	-	-
Sterides Pharma Science Limited	-	-	-	-	-	-	-	-	13.54	0.01
Recovery of expenses										
Brooks Steriscience Limited	-	-	-	0.35	-	-	-	-	-	-
Stelis Biopharma Limited	-	-	-	-	-	-	-	-	-	1.21
Sterides Pharma Science Limited	-	-	-	-	-	-	-	-	-	0.07



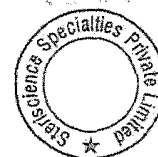
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Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for share data or as otherwise specified)

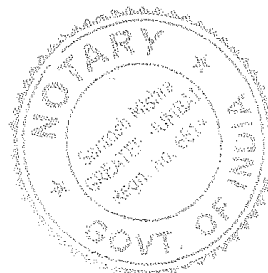
Note
No.

34.03 Balances with related parties

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	As at 31 Mar 2023	As at 31 Mar 2022	As at 31 Mar 2023	As at 31 Mar 2022	As at 31 Mar 2023	As at 31 Mar 2022	As at 31 Mar 2023	As at 31 Mar 2022	As at 31 Mar 2023	As at 31 Mar 2022
Equity shares										
Tenshi Pharmaceuticals Private Limited	362.76	362.09	-	-	-	-	-	-	-	-
Loans payable										
Tenshi Pharmaceuticals Private Limited	307.32	18.82	-	-	-	-	-	-	-	-
Interest payable										
Tenshi Pharmaceuticals Private Limited	24.54	13.75	-	-	-	-	-	-	-	-
Loans receivable										
Brooks Sterisience Limited	-	-	10.20	-	-	-	-	-	-	-
Interest receivable										
Brooks Sterisience Limited	-	-	2.02	1.94	-	-	-	-	-	-
Corporate guarantee received										
Tenshi Pharmaceuticals Private Limited	2,500.00	1,350.00	-	-	-	-	-	-	-	-
Security provided towards loan taken by										
Tenshi Katsen Private Limited	-	-	-	-	-	-	220.00	220.00	-	-
Investments in equity shares										
Brooks Sterisience Limited	-	-	1,144.90	744.19	-	-	-	-	-	-
Security deposit										
Kanuu Business Solutions LLP	-	-	-	-	-	-	-	-	75.86	75.86
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	10.78	6.60
Other receivables										
Stella Biopharma Limited	-	-	-	-	-	-	-	-	-	14.04
Trade receivables										
Brooks Sterisience Limited	-	-	25.33	19.86	-	-	-	-	-	-
Sterisience Sp. Z o.o.	-	-	-	-	-	-	14.88	2.45	-	-
Stella Biopharma Limited	-	-	-	-	-	-	-	-	1.01	10.52
Sterisience Pte Limited	-	-	-	-	-	-	234.09	249.47	-	-
Snidas Pharma Science Limited	-	-	-	-	-	-	-	-	-	0.08
Trade payables										
Tenshi Pharmaceuticals Private Limited	48.94	50.86	-	-	-	-	-	-	-	-
Stella Biopharma Limited	-	-	-	-	-	-	-	-	-	106.97
Solara Active Pharma Services Limited	-	-	-	-	-	-	-	-	-	45.38
Snidas Pharma Canada Inc	-	-	-	-	-	-	-	-	-	0.02
Tenshi Katsen Private Limited	-	-	-	-	-	-	-	0.22	-	-
Snidas Pharma Science Limited	-	-	-	-	-	-	-	-	59.57	0.01
Acetoh Private Limited	-	-	-	-	-	-	-	-	72.97	1.36
Sterisience Sp. Z o.o.	-	-	-	-	-	-	7.96	34.71	-	-
Kanuu Business Solutions LLP	-	-	-	-	-	-	-	-	27.31	-
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	7.28	-
Payable pursuant to Business Transfer Agreement										
Tenshi Pharmaceuticals Private Limited	117.90	117.90	-	-	-	-	-	-	-	-



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Sterisience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

35A Business combination during FY 2021-22

On 25th October, 2021, the Company had entered into an agreement (the "Agreement") with Mylan Laboratories Limited to purchase assets for a purchase consideration of USD 10 Million (INR 746.63 Mio). Mylan is a global generic and specialty pharmaceuticals company. The transaction was accounted as a Business Combination as per Ind AS 103. The effective date of business combination i.e. closing date was 30th November 2021.

The Company had engaged an independent valuer to determine the fair value of the assets taken over. As per the Agreement, some liabilities have been assumed the Company, and these have been evaluated by the management as at the end of the reporting period to have a remote possibility of outflow, and hence no provision has been recorded for these.

The details of Purchase consideration, assets acquired, and bargain purchase gain are given below:

Particulars	Fair Value (Rs.in Mio)
Purchase consideration	
Consideration dischargee in cash	746.63
Total [A]	746.63
Assets acquired	
Leasehold Improvements	89.33
Plant & Machinery	659.39
Furniture and Fixtures	9.47
Office Equipments	3.76
Computers and Accessories	3.20
Dies and Punches	6.05
Motor Vehicles	0.17
Total [B]	771.37
Bargain Purchase Gain accounted in Capital Reserve [B - A]	24.74

35B Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any transactions with companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Company has borrowings from bank on the basis of security of current assets, the monthly returns or statements of current assets has been filed by the company with banks are in agreement with the books of accounts.
- (g) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- (h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

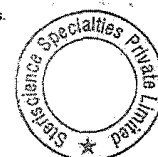
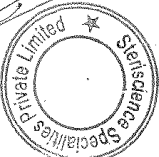
35C Recent pronouncements

Amendments effective from April 1, 2023 :

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

- Ind AS 101 – First time adoption of Ind AS
- Ind AS 102 – Share-based payment
- Ind AS 103 – Business Combinations
- Ind AS 107 – Financial Instruments: Disclosures
- Ind AS 109 – Financial Instruments
- Ind AS 115 – Revenue from Contracts with Customers
- Ind AS 1 – Presentation of Financial Statements
- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12 – Income Taxes
- Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.



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Steriscience Specialties Private Limited (CIN:U24304KA2020PTC137884)
Notes to the standalone financial statements for the year ended 31 Mar 2023
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note

No.

36

Analytical Ratios

Particulars	As at 31 Mar 2023	As at 31 Mar 2022	Change	Explanation
Ratio Analysis				
Current ratio - in times (A) / (B)	0.83	1.17	-29%	Decreased due to new borrowings during the year
Current assets (A)	3,309.48	2,754.72		
Current liabilities (B)	3,968.08	2,356.92		
Debt-Equity ratio - in times (C) / (D)	62.30	5.97	944%	Increased due to new borrowings during the year
Debt including lease liabilities (C)	4,466.33	1,805.57		
Equity (D)	71.69	302.59		
Debt service coverage ratio - in times (E) / ((F) + (G))	-	-	0%	Not applicable as the Company is in loss.
Earnings Before Interest, Taxes, Depreciation and Amortisation (E)	(985.66)	(519.82)		
Debt repayment (F)	-	-		
Interest payments (G)	(74.05)	-		
Return on equity ratio (H) / (I)	-567.46%	-127.25%	346%	Primarily due to increase in loss during the year and hence reduction in net Equity.
Net loss (H)	(406.81)	(385.05)		
Equity (I)	71.69	302.59		
Inventory turnover ratio (K) / (L)	1.53	0.63	143%	Increase in business volume as compared to FY 2022
Cost of goods sold (K)	1,192.27	260.94		
Inventory (L)	779.32	413.76		
Trade receivables turnover ratio (M) / (N)	6.83	2.68	155%	Increase in business volume as compared to FY 2022
Revenue from operations (M)	3,111.95	674.23		
Average trade receivables (N)	455.87	251.65		
Trade payables turnover ratio (O) / (P)	1.14	0.44	160%	Increase in business volume as compared to FY 2022
Cost of goods sold (O)	1,192.27	260.94		
Average trade payables (P)	1,049.22	597.27		
Net capital turnover ratio (Q) / (R)	(4.73)	1.69	-379%	Due to increase in sales and negative working capital
Revenue from operations (Q)	3,111.95	674.23		
Working capital (R)	(658.60)	397.80		
Net profit ratio (S) / (T)	-12.84%	-54.92%	-77%	Increase in business volume as compared to FY 2022
Net loss (S)	(406.81)	(385.05)		
Total income (T)	3,167.15	701.13		
Return on capital employed (U) / (V)	-3.36%	-16.96%	-80%	Increase in business volume as compared to FY 2022
Earnings Before Interest and Taxes (U)	(152.46)	(357.64)		
Capital employed (V)	4,538.02	2,108.16		
Return on investment (W)/(X)	-	-	-	Not applicable
Income generated from investments (W)	-	-		
Time weighted average investments (X)	944.55	587.61		

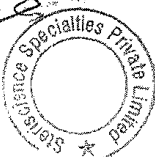
37 The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification

38 The standalone financial statements are approved for issue by the board of directors on July 18, 2023.

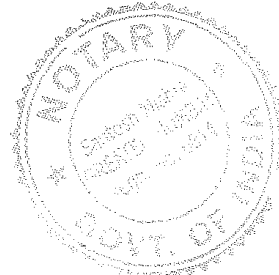
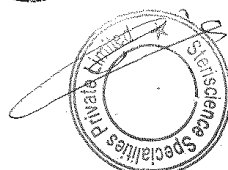
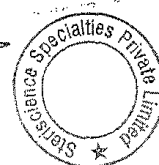
For and on behalf of Board of Directors

C. Seetharamanah
Director
DIN: 07405773

Place: Bengaluru
Date: July 18, 2023



Tarun Kumar Singh
Director
DIN: 08854953



Annexure B3

Sterisience Specialties Private Limited (CIN:U24304MH2020PTC424881)

Standalone Financial Statements as at 31st March 2024

(Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
Assets			
Non-current assets			
(a) Property, plant and equipment	2A	706.43	732.89
(b) Right-of-use assets	2B	1,634.68	1,835.79
(c) Capital work in progress	2C	16.70	30.29
(d) Other intangible assets	2D	98.39	108.26
(e) Intangible assets under development	2E	0.09	8.91
(f) Financial assets			
(i) Investments	3	1,176.05	1,144.90
(ii) Loans	4	104.80	-
(iii) Other financial assets	5	84.72	76.15
(g) Other non-current assets	6	7.94	24.41
Total non-current assets		3,829.80	3,961.60
Current assets			
(a) Inventories	7	815.39	792.79
(b) Financial assets			
(i) Trade receivables	8	1,595.99	519.96
(ii) Cash and cash equivalents	9	0.88	0.96
(iii) Bank balances other than (ii) above	10	1,588.65	1,607.02
(iv) Loans	4	20.00	10.20
(v) Other financial assets	5	47.66	13.62
(c) Other current assets	6	359.54	364.93
Total current assets		4,428.11	3,309.48
Total assets		8,257.91	7,271.08
Equity and liabilities			
Equity			
(a) Equity share capital	11	0.19	0.19
(b) Other equity	12	(35.04)	71.50
Equity attributable to the owners of the company		(34.85)	71.69
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	996.04	618.21
(ii) Lease liabilities	14	1,819.37	1,893.30
(iii) Other financial liabilities	15	-	117.90
(b) Provisions	16	86.50	62.39
(c) Other non-current liabilities	17	13.46	539.51
Total non-current liabilities		2,915.37	3,231.31
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	3,467.66	1,897.60
(ii) Lease liabilities	14	73.93	57.22
(iii) Trade payables	18		
- Dues of micro and small enterprises		59.31	25.60
- Dues of other than micro and small enterprises		914.03	1,017.71
(iv) Other financial liabilities	15	285.31	121.23
(b) Provisions	16	6.64	5.52
(c) Other current liabilities	17	570.51	843.20
Total current liabilities		5,377.39	3,968.08
Total liabilities		8,292.76	7,199.39
Total equity and liabilities		8,257.91	7,271.08

See accompanying notes forming part of the standalone financial statements

For and on behalf of Management

Chhitiz Saraogi

Date : August 6, 2024



Steriscience Specialties Private Limited (CIN:U24304MH2020PTC424881)

Standalone Statement of Profit and Loss for the year ended 31st March 2024

(Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from operations	19	3,946.29	3,111.95
Other income	20	122.14	55.20
Total income		4,068.43	3,167.15
Expenses			
(a) Cost of materials consumed	21	1,372.80	1,325.16
(b) Changes in inventories of finished goods and work-in-progress	22	118.98	(132.89)
(c) Employee benefits expense	23	1,026.85	891.46
(d) Finance costs	24	443.47	254.35
(e) Depreciation and amortisation expenses	25	339.61	324.50
(f) Other expenses	26	862.72	911.38
Total expenses		4,164.43	3,573.96
Loss before tax		(96.00)	(406.81)
Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
Loss for the year		(96.00)	(406.81)
Other comprehensive income			
(a) Items that will not be reclassified subsequently to profit or (loss)	33	(10.54)	2.00
(b) Income tax relating to items that will not be reclassified subsequently to profit or (loss)		-	-
Total other comprehensive income		(10.54)	2.00
Total comprehensive loss for the year		(106.54)	(404.81)
Earnings per equity share (face value of Rs. 10/- each)	30		
(a) Basic (in Rs.)		(4,994.28)	(22,603.07)
(b) Diluted (in Rs.)		(4,599.68)	(22,603.07)

See accompanying notes forming part of the standalone financial statements

For and on behalf of Management

Chhitiz Saraogi



Date : August 6, 2024



Sterisience Specialties Private Limited (CIN:U24304MH2020PTC424881)

Standalone Statement of Cash flows for the year ended 31st March 2024

(Amount in Rupees Million, except for shares data or as 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 for the year	(96.00)	(406.81)
Adjustments for:		
Depreciation and amortisation	339.61	324.50
Interest income	(108.61)	(49.25)
Interest on lease	138.85	141.99
Interest on performance deposit	0.62	-
Interest on income tax refund	(0.38)	(0.13)
Guarantee commission	3.25	-
Gain on forward contract	(0.62)	-
Profit on sale of asset	-	(1.39)
Loss on sale of asset	1.51	-
Interest income from financial assets	(5.00)	(4.42)
Interest on performance deposit	(0.93)	-
Finance costs	291.63	112.36
Unrealised exchange (gain)/loss (net)	(4.82)	1.12
Other non-cash expenses	27.01	0.87
Operating profit before working capital changes	586.12	118.84
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade and other receivables	(1,070.47)	(124.92)
Inventories	(22.60)	(26.94)
Other current assets	(4.07)	283.99
Other non current assets	6.54	(8.23)
Other financial assets	(36.59)	(2.18)
Adjustments for increase / (decrease) in operating liabilities:		
Trade and other payables	(42.59)	(10.72)
Other current liabilities	(986.30)	164.16
Other financial liabilities	150.83	(503.70)
Provisions	25.23	(113.07)
Cash generated from operations	(1,393.90)	(222.76)
Net income tax (paid) / refunds	9.46	3.38
Net cash flow from/ (utilised) in operating activities (A)	(1,384.44)	(219.38)
Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(88.95)	(149.22)
Proceeds from sale of property, plant and equipment and intangible assets	0.39	7.30
Proceeds/(Investment) in fixed deposits with maturity of more than 3months (net)	18.63	(1,057.99)
Investments in joint venture	-	(400.71)
Investments in Clean Max Thennal Private Limited	(31.15)	-
Interest received on Fixed deposits	102.97	3.34
Net cash flow utilised in investing activities (B)	1.88	(1,597.28)
Cash flow from financing activities		
Proceeds from secured loans	878.56	329.09
Repayment of secured loans	(82.46)	-
Payment of interest portion of lease liabilities	(138.85)	(141.99)
Payment of principal portion of lease liabilities	(57.22)	(44.13)
Proceeds from intercompany loans	1,190.30	305.00
Loan given to intercompany	(744.22)	(26.70)
Interest paid on loans	(254.74)	(74.05)
Net cash flow generated from financing activities (C)	791.37	521.13
Net increase in cash and cash equivalents during the year (A+B+C)	(591.19)	(1,295.53)
Cash and cash equivalents at the beginning of the year	(859.27)	436.26
Cash and cash equivalents at the end of the year*	(1,450.46)	(859.27)
* Comprises		
Cash on hand	0.09	0.15
Balance with banks:		
- In current account	0.79	0.81
- Overdraft	(1,451.34)	(860.23)
Total	(1,450.46)	(859.27)

See accompanying notes forming part of the standalone financial statements

For and on behalf of Management

Chhitiz Saraogi
Chhitiz Saraogi

Date : August 6, 2024



Steriscience Specialties Private Limited (CIN:U24304MH2020PTC424881)
Standalone Statement of changes in equity for the year ended 31st March 2024
(Amount in Rupees Million, except for shares data or as otherwise stated)

A Equity share capital

For the period ended 31st March 2024

As at 01 April 2023	Changes in equity share capital during the current period	As at 31st March 2024
0.19	-	0.19

For the year ended 31st March 2023

As at 01 April 2022	Changes in equity share capital during the year	As at 31st March 2023
0.17	0.02	0.19

B Other equity

For the period ended 31st March 2024

Particulars	Reserves and Surplus			Total equity attributable to equity holders of the Company
	Capital Reserve	Securities premium account	Retained earnings	
Balance as at the 01 April 2023	24.74	937.31	(890.55)	71.50
Loss for the period	-	-	(96.00)	(96.00)
Other comprehensive income/ (loss) for the period	-	-	(10.54)	(10.54)
Balance as at 31st March 2024	24.74	937.31	(997.09)	(35.04)

For the year ended 31st March 2023

Particulars	Reserves and Surplus			Total equity attributable to equity holders of the Company
	Capital Reserve	Securities premium account	Retained earnings	
Balance as at 01 April 2022	24.74	763.42	(485.74)	302.42
Loss for the year	-	-	(406.81)	(406.81)
Premium received on shares issued during the year	-	173.89	-	173.89
Other comprehensive income/ (loss) for the year	-	-	2.00	2.00
Balance as at 31st March 2023	24.74	937.31	(890.55)	71.50

See accompanying notes forming part of the standalone financial statements

For and on behalf of Management

Chhitiz Saraogi
Chhitiz Saraogi

Date : August 6, 2024



**Note
No.**

1 Company information and Material accounting policies

Steriscience Specialties Private Limited (the "Company") is a private limited Company incorporated on August 29, 2020 under the provisions of Companies Act, 2013 with the object of, inter alia, undertaking the business of development, manufacturing, marketing and distribution of niche pharmaceuticals products such as injectables for various markets. The Company has its registered address at 201, Devavrata, Sector 17, Vashi, Navi Mumbai, Sanpada, Thane, Thane- 400703, Maharashtra.

1.1 Basis of preparation and presentation

These financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has incurred losses of Rs.95.87 Million during the year ended 31st March, 2024 (year ended 31st March, 2023 : Rs. 406.81 million). As at 31st March, 2024, the Company has negative working capital position by Rs. 949.16 million and negative networth of Rs. 34.72 million. Based on the future projection of the Company and the financial support from the Parent, the management of the Company is confident that the Company will be able to generate sufficient profit in the future years. Accordingly, the financial statements are prepared on a going concern basis.

Accounting policies have been consistently applied 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.

1.2 Use of estimates and judgements

In the application of the Company's accounting policies, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

(b) Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

(c) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(d) Leases under Ind AS 116

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(e) Taxes

Deferred tax assets is recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



**Note
No.**

(f) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

1.3 Revenue recognition

Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon despatch of goods to the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

Sale of Services

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied over time is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion, provided there is no uncertainty as to measurement or collectability of the consideration. Revenue from development service is recognised on cost plus a mark up agreed with the customer.

'Unbilled revenues' (contract asset) represent revenue earned in excess of billings as at the end of the reporting year. Where right to consideration is unconditional upon passage of time is classified as a financial asset.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts ~~estimated future~~ cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



Note

No.

1.4 Employee benefits

Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- . service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- . net interest expense or income; and
- . remeasurement

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised 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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

1.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



**Note
No.**

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.6 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on the assets acquired through business combination has been provided on the straight-line method as per the useful life prescribed in the valuation report of the Independent Valuer.

Leasehold Improvement : Over primary lease period

Plant & Machinery : 3 - 15 years

Furniture : 2-10 years

Office Equipment : 2 - 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful lives of the assets are as follows:

Softwares : 5 Years



**Note
No.**

1.7 Leases

The Company as lessee

The Company has entered into lease arrangements for its factory land and office premises. The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

1.8 Impairment of assets

Impairment of financial assets:

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Impairment of investment in subsidiaries and others

The Company reviews its carrying value of investments in subsidiaries and associates at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

1.9 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Inventories are valued at weighted average cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

1.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



**Note
No.**

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1.11 Financial instruments

Other financial assets and financial liabilities

Other financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

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

Subsequent measurement:

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

1.12 Earnings per share

Basic earnings per share are computed by dividing statement of profit and loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



Sterisience Specialties Private Limited (CIN:U24304MH2020PTC424881)
Notes to the standalone financial statements for the year ended 31st March 2024
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note

No.

2A Property, plant and equipment

Particulars	Gross block			Accumulated depreciation				Net block		
	As at 1 April 2023	Addition	Deletion	As at 31st March 2024	As at 1 April 2023	Depreciation for the year	Eliminated on	As at 31st March 2024	As at 31st March 2024	As at 31st March 2023
Leasehold Improvement	99.02	-	-	99.02	12.45	10.42	-	22.87	76.15	86.57
	89.33	9.69	-	99.02	2.96	9.49	-	12.45	86.57	86.37
Furniture & Fixtures	11.48	2.01	(0.05)	13.44	3.44	2.51	(0.02)	5.93	7.51	8.04
	9.47	2.01	-	11.48	1.27	2.17	-	3.44	8.04	8.20
Office Equipments	11.28	4.75	(0.14)	15.89	4.23	2.43	(0.12)	6.54	9.35	7.05
	3.80	7.48	-	11.28	1.83	2.40	-	4.23	7.05	1.96
Computers and Accessories	18.60	7.53	(1.98)	24.15	7.50	6.32	(1.98)	11.84	12.31	11.10
	9.76	8.84	-	18.60	4.15	3.35	-	7.50	11.10	5.61
Plant & Machinery	685.44	29.92	(2.22)	713.14	114.28	76.01	(0.51)	189.78	523.36	571.16
	665.44	20.57	(0.57)	685.44	37.18	77.19	(0.09)	114.28	571.16	628.26
Electrical Installation	2.74	0.43	-	3.17	0.09	0.28	-	0.37	2.80	2.65
	-	2.74	-	2.74	-	0.09	-	0.09	2.65	-
Laboratory Apparatus	46.18	35.29	-	81.47	2.09	6.64	-	8.73	72.74	44.09
	-	46.18	-	46.18	-	2.09	-	2.09	44.09	-
Vehicles	0.72	-	(0.17)	0.55	0.05	0.07	(0.03)	0.09	0.46	0.67
	0.17	0.55	-	0.72	0.01	0.04	-	0.05	0.67	0.16
Servers & Networks	1.87	0.57	-	2.44	0.31	0.38	-	0.69	1.75	1.56
	1.49	0.38	-	1.87	0.01	0.30	-	0.31	1.56	1.48
Total	877.33	80.50	(4.56)	953.27	144.44	105.06	(2.66)	246.84	706.43	732.89
<i>Previous year</i>	<i>779.46</i>	<i>98.44</i>	<i>(0.57)</i>	<i>877.33</i>	<i>47.41</i>	<i>97.12</i>	<i>(0.09)</i>	<i>144.44</i>	<i>732.89</i>	<i>732.04</i>

Notes:-

(i) Figures in italics relate to previous year.

(ii) The above assets are owned by the company unless otherwise specified.

2B Right-of-use assets

Particulars	Gross block			Accumulated amortisation				Net block		
	As at 1 April 2023	Additions	Disposals	As at 31st March 2024	As at 1 April 2023	Depreciation for the year	Eliminated on disposal	As at 31st March 2024	As at 31st March 2024	As at 31st March 2023
Buildings	2,097.52	4.74	-	2,102.26	261.73	205.85	-	467.58	1,634.68	1,835.79
	841.51	1,256.01	-	2,097.52	56.97	204.76	-	261.73	1,835.79	784.54
Total	2,097.52	4.74	-	2,102.26	261.73	205.85	-	467.58	1,634.68	1,835.79
<i>Previous year</i>	<i>841.51</i>	<i>1,256.01</i>	<i>-</i>	<i>2,097.52</i>	<i>56.97</i>	<i>204.76</i>	<i>-</i>	<i>261.73</i>	<i>1,835.79</i>	<i>784.54</i>

Notes:-

(i) Figures in italics relate to previous year.



Note
No.

2C Capital work in progress

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	30.29	2.47
Add: Additions during the year	66.99	126.26
Less: Capitalised during the year	(80.50)	(98.44)
Less: Transferred to P&L	(0.08)	
Closing Balance	16.70	30.29

Capital work in progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	Greater than 3 years	
March 31, 2024					
Projects in progress	12.25	4.45	-	-	16.70
Projects temporarily suspended	-	-	-	-	-
Total	12.25	4.45	-	-	16.70
March 31, 2023					
Projects in progress	30.29	-	-	-	30.29
Projects temporarily suspended	-	-	-	-	-
Total	30.29	-	-	-	30.29

Note:-

(i) None of the above are overdue in terms of budget or timelines.

2D Other intangible asset

Particulars	Gross block			Accumulated amortisation				Net block		
	As at 1 April 2023	Additions	Disposals	As at 31st March 2024	As at 1 April 2023	Depreciation for the year	Eliminated on disposal	As at 31st March 2024	As at 31st March 2024	As at 31st March 2023
Software	132.53	18.82	-	151.35	24.27	28.69	-	52.96	98.39	108.26
	76.20	63.10	(6.76)	132.54	2.98	22.62	(1.33)	24.27	108.26	73.22
Total	132.53	18.82	-	151.35	24.27	28.69	-	52.96	98.39	108.26
Previous year	76.20	63.10	(6.76)	132.54	2.98	22.62	(1.33)	24.27	108.26	73.22

Notes:-

(i) Figures in italics relate to previous year.

(ii) The above assets are owned by the company unless otherwise specified.

2E Intangible assets under development

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	8.91	2.48
Add: Additions during the year	10.00	69.53
Less: Capitalised during the year	(18.82)	(63.10)
Closing Balance	0.09	8.91

Intangible assets under development ageing schedule

Particulars	Amount in IUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	Greater than 3 years	
March 31, 2024					
Projects in progress	-	0.09	-	-	0.09
Projects temporarily suspended	-	-	-	-	-
Total	-	0.09	-	-	0.09
March 31, 2023					
Projects in progress	8.91	-	-	-	8.91
Projects temporarily suspended	-	-	-	-	-
Total	8.91	-	-	-	8.91

Note:-

(i) None of the above are overdue in terms of budget or timelines.



Steriscience Specialties Private Limited (CIN:U24304MH2020PTC424881)

Notes to the standalone financial statements for the year ended 31st March 2024

(Amount in Rupees Million, except for shares data or as otherwise stated)

Note No.	Particulars	As at			As at		
		31st March 2024			31st March 2023		
		Qty	Amount		Qty	Amount	
3	Investments		Current	Non-Current		Current	Non-Current
	(A) Investments in joint ventures (carried at cost):						
	Equity shares, unquoted						
	Brooks Steriscience Limited	1,14,490	-	1,144.90	1,14,490	-	1,144.90
	- 114,490 shares of Rs.10,000/- each fully paid up, (As at 31st March 2023 - 114,490 shares of Rs.10,000/- each fully paid up)						
	Steribrooks Penems Private Limited	10,000	-	0.10	10,000	-	0.10
	- 10,000 shares of Rs 10 each fully paid up (As at 31st March 2023 - 10,000 shares)						
	Less: Provision for impairment (refer note i below)		-	(0.10)		-	(0.10)
	Net Value	10,000	-	-	10,000	-	-
	(B) Other Investments (carried at fair value through profit and loss):						
	Equity shares, unquoted						
	Clean Max Thennal Private Limited						
	- 2700 shares of Rs.10/- each fully paid up	2,700	-	0.03	-	-	-
	- 20765 shares of Rs.1499/- each fully paid up	20,765	-	31.13	-	-	-
	Total	1,47,956		1,176.05	1,24,490		1,144.90
	Aggregate carrying value of unquoted investments		-	1,176.05		-	1,144.90
	Aggregate amount of investments carried at cost		-	1,176.05		-	1,144.90

Notes:

(i) During the current year, the Company has invested an amount of Rs. 31.16 millions in Clean Max Thennal Private Limited pursuant to Power Purchase Agreement and Securities Subscription and Shareholder's Agreement dated 7th April, 2023. The Company's investment represents 27% ownership on fully diluted basis of the Clean Max Thennal Private Limited and the investment is in accordance with Electricity Act 2003 which stipulates consumer partners to have atleast 26% ownership in the electricity generating entity together with the other consumer partners. The Company's ownership is purely to meet the regulatory requirement and the Company do not have significant influence on such entity. Accordingly, this is not considered as associate of the Company.

(ii) As consolidated financial statements is being prepared by Tenshi Pharmaceuticals Private Limited, the Parent company (refer note 33), the Company, by way of exemption available as per para 4 of Ind AS 110 Consolidated Financial Statements has opted not to prepare consolidated financial statements.



Note

No.

4

Loans

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good:				
Loan to related party (Refer note 34)	20.00	104.80	10.20	-
Total	20.00	104.80	10.20	-

5 Other financial assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good:				
Interest accrued on loans given to related parties (Refer Note 34)	8.04	-	2.02	-
Interest accrued on bank deposits	8.26	-	8.52	-
Unbilled Revenue	30.35	-	-	-
Security deposit	1.01	84.72	3.08	76.15
Total	47.66	84.72	13.62	76.15

6 Other assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good:				
Capital advances	-	5.82	-	15.75
Advances to suppliers	5.63	-	58.40	-
Prepaid expenses	46.68	-	34.38	1.96
Advance to employees	10.31	2.12	8.26	6.70
Balances with Government authorities:				
- GST credit receivable	281.57	-	254.36	-
- TDS & TCS receivable	15.35	-	9.53	-
Total	359.54	7.94	364.93	24.41

7 Inventories

Particulars	As at 31st March 2024	As at 31st March 2023
Raw materials (Including goods in transit)	730.86	589.28
Work-in-progress	37.83	81.69
Finished goods	46.70	121.82
Total	815.39	792.79

8 Trade receivables

Particulars	As at 31st March 2024	As at 31st March 2023
Undisputed trade receivables - considered good secured:	1,595.99	519.96
Less: Allowance for credit loss	-	-
Total	1,595.99	519.96

Trade receivables ageing schedule as at 31 Mar 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					As at 31st March 2024
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good secured;	743.16	786.47	48.31	18.05	-	-	1,595.99
	743.16	786.47	48.31	18.05	-	-	1,595.99

Trade receivables ageing schedule as at 31 Mar 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					As at 31st March 2023
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good secured;	367.03	145.14	7.37	0.42	-	-	519.96
	367.03	145.14	7.37	0.42	-	-	519.96

9 Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on hand	0.09	0.15
Balance with banks:		
- In current accounts	0.79	0.81
Total	0.88	0.96

10 Bank balances (other than cash and cash equivalents)

Particulars	As at 31st March 2024	As at 31st March 2023
In deposit accounts	171.75	180.12
In earmarked accounts:		
- Balance held as margin money against working capital facilities with banks	1,416.90	1,426.90
Total	1,588.65	1,607.02



Note No.	Particulars	As at 31st March 2024		As at 31st March 2023	
		No. of shares	Amount	No. of shares	Amount
11	(a) Equity share capital				
	Authorised				
	Equity shares of Rs. 10/- each	1,50,000	1.50	1,50,000	1.50
	Issued, subscribed and fully paid-up				
	Equity shares of Rs. 10/- each	18,736	0.19	18,736	0.19
	Total	18,736	0.19	18,736	0.19
	Issued, subscribed and partly paid up				
	Equity shares of Rs. 0.1/- each	486	0.00	486	-
	Total	486	-	486	-

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	Amount	No. of shares	Amount
Compulsorily Convertible Preference Shares				
Authorised				
Preference shares of Rs. 10/- each	4,00,000	4.00	4,00,000	4.00
Issued, subscribed and fully paid-up				
Preference shares of Rs. 10/- each	-	-	-	-
Total	-	-	-	-

(i) **Reconciliation of number of shares and amount outstanding:**

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10/- each				
Opening balance	19,222	0.19	17,479	0.17
Add: Shares issued during the year	-	-	1,743	0.02
Closing balance	19,222	0.19	19,222	0.19

(ii) **Detail of the rights, preferences and restrictions attaching to each class of shares:**

Equity shares of Rs. 10/- each

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval by the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

(iii) **Shares held by promoters at the end of the year:**

Promoter name	As at 31st March 2024			As at 31st March 2023		
	Number of shares	% of total shares	% Change during the Year	Number of shares	% of total shares	% Change during the Year
Tenshi Pharmaceuticals Private Limited (refer note 34)	14,032	73%	0%	14,032	73%	0%

(iv) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the period preceding 31 March 2024.

(v) **Details of equity shares held by each shareholder holding more than 5% of equity shares:**

Name of the shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 10/- each				
Tenshi Pharmaceuticals Private Limited (refer note 34)	14,032	73.00%	14,032	73.00%
Medella Holdings Pte. Ltd	5,190	27.00%	5,190	27.00%



Note

No.

12 Other equity

Particulars	As at 31st March 2024	As at 31st March 2023
Capital reserve (Refer note (i) below)	24.74	24.74
Securities premium account (Refer note (ii) below)	937.31	937.31
Retained earnings (Refer note (iii) below)	(997.09)	(890.55)
Total	(35.04)	71.50

(i) Capital reserve

Particulars	As at 31st March 2024	As at 31st March 2023
Capital Reserve comprises of bargain purchase gain on business combination.		
Opening balance	24.74	24.74
Addition during the year	-	-
Closing balance	24.74	24.74

(ii) Securities premium account

Particulars	As at 31st March 2024	As at 31st March 2023
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
Opening balance	937.31	763.42
Add: Premium on shares issued during the year (Refer note below)	-	173.89
Closing balance	937.31	937.31

Note:

During the financial year ended 31st March 2023, the Company has issued 486 partly paid equity shares of Rs. 10/- each at a premium of Rs. 1,37,805/- per equity share to Tenshi Pharmaceuticals Private Limited (refer note 34) on a private placement basis through preferential allotment and 1,257 fully paid equity shares of Rs. 10/- each at a premium of Rs. 1,37,805/- per equity share to Medella Holdings Pte. Ltd through rights issue.

(iii) Retained earnings

Particulars	As at 31st March 2024	As at 31st March 2023
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	(890.55)	(485.74)
Add: Net loss attributable to owners of the Company	(96.00)	(406.81)
Add: Other comprehensive income/(loss)	(10.54)	2.00
Closing balance	(997.09)	(890.55)
Total reserves and surplus	(35.04)	71.50

13 Borrowings

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non-Current	Current	Non-Current
Secured borrowings:				
Term loan from bank	119.48	996.04	79.96	618.21
Working capital borrowings from a bank	1,028.84	-	650.09	-
Overdraft	1,451.34	-	860.23	-
Subtotal	2,599.66	996.04	1,590.28	618.21
Unsecured borrowings:				
Loan from related party (Refer note 34)	868.00	-	307.32	-
Subtotal	868.00	-	307.32	-
Total	3,467.66	996.04	1,897.60	618.21



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Notes to the standalone financial statements for the year ended 31st March 2024
(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

Terms of repayment and security -Secured term loan	As at 31st March 2024	As at 31st March 2023
(i) Term loans from banks: Loan 1		
Non-current borrowings	533.35	618.21
Current maturities of non-current borrowings	85.13	79.96
Rate of Interest : LIBOR+ Spread of 1.5 %		
Repayment Term : 28 quarterly instalments started from April 2023		
(ii) Term loans from banks: Loan 2		
Non-current borrowings	462.69	-
Current maturities of non-current borrowings	34.35	-
Rate of Interest : Effective rate of Interest is 12% p.a (Long-Term Reference Rate 20.25% - Spread of 8.25%)		
Repayment Term : 60 monthly instalments of Rs.25 Lakhs per month started from February 2024		
(iii) Terms of repayment and security: Loan 3		
Non-current borrowings	466.25	-
Current maturities of non-current borrowings	-	-
Rate of Interest : I-MCLR-6M is 9.0% and Spread is 1.70% p.a.		
Repayment Term : Principal amount of each tranche is to be repaid (in full) as bullet payment on maturity date (May 13, 2025)		
(vi) Terms of repayment and security: Loan 4		
Non-current borrowings	233.42	-
Current maturities of non-current borrowings	-	-
Rate of Interest : FD Rate + Spread is 1.75% p.a.		
Repayment Term : 12 months subject to annual review		
(v) Terms of repayment and security: Loan 5		
Non-current borrowings	268.55	-
Current maturities of non-current borrowings	-	-
Rate of Interest : FD Rate + Spread is 1.75% p.a.		
Repayment Term : 6 months subject to annual review		
(vi) Terms of repayment and security: Loan 6		
Non-current borrowings	110.00	-
Current maturities of non-current borrowings	-	-
Rate of Interest : Repo Rate 6.50%+ Spread 3.35%, currently 9.85%		
Repayment Term : 6 months		
(vii) Terms of repayment and security: Loan 7		
Non-current borrowings	50.00	-
Current maturities of non-current borrowings	-	-
Rate of Interest : 9.85%		
Repayment Term : 6 months		
(viii) Terms of repayment and security: Loan 8		
Non-current borrowings	701.67	860.23
Current maturities of non-current borrowings	-	-
Rate of Interest : 8.33%		
Repayment Term : 12 months		
(ix) Terms of repayment and security: Loan 9		
Non-current borrowings	650.28	650.09
Current maturities of non-current borrowings	-	-
Rate of Interest : 6.25%		
Repayment Term : 12 months		
Terms of Loan from related party	As at 31st March 2024	As at 31st March 2023
Non-current borrowings		
Current borrowings	868.00	307.32
Repayment : Repayable within one year from the date of remittance.		



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(Amount in Rupees Million, except for shares data or as otherwise stated)

Note

No.

14 Lease liabilities	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Lease liabilities (Refer note 28)	73.93	1,819.37	57.22	1,893.30
Total	73.93	1,819.37	57.22	1,893.30

15 Other financial liabilities	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Interest accrued but not due on loans	74.14	-	38.92	-
Interest accrued on MSME vendors	4.50	-	2.83	-
Payable on account of business purchase (Refer note below)	117.90	-	-	117.90
Performance Deposit	12.64	-	-	-
Employee related payables	69.59	-	50.97	-
Creditors for capital supplies/services (includes MSME of Rs. 0.74 Million as at 31 March 2024; Rs. 3.73 Million as at 31 Mar 2023)	6.54	-	28.51	-
Total	285.31	-	121.23	117.90

Note:

The payable is towards the Business Transfer Agreement entered by the Company with Tenishi Pharmaceuticals Private Limited (refer note 34) in the financial year 31st March 2021. Pursuant to settlement arrangement entered between parties during the previous year, the payable is due to be settled on or before 31 Mar 2025. Accordingly, the payable was disclosed as non-current during the previous year ended 31 Mar 2023 and disclosed as current as at 31st March 2024.

16 Provisions	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Gratuity (Refer note 33)	-	43.06	-	22.91
Compensated absences	6.64	43.44	5.52	39.48
Total	6.64	86.50	5.52	62.39



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(Amount in Rupees Million, except for shares data or as otherwise stated)

Note

No.

17 Other Liabilities

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Deferred revenue	541.11	13.46	818.86	539.51
Advance from customers	0.02	-	1.54	-
Statutory liabilities	29.38	-	22.80	-
Total	570.51	13.46	843.20	539.51

18 Trade payables

Particulars	As at 31st March 2024		As at 31st March 2023	
	Current	Non- Current	Current	Non- Current
Dues of micro and small enterprises (Refer note (i) below)	59.31	-	25.60	-
Dues of other than micro and small enterprises	914.03	-	1,017.71	-
Total	973.34	-	1,043.31	-

Trade payables ageing schedule as at 31 March 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				As at 31st March 2024
			Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	19.41	39.90	-	-	-	59.31
(ii) Others	47.72	401.75	372.06	56.70	35.80	-	914.03
	47.72	421.16	411.96	56.70	35.80	-	973.34

Trade payables ageing schedule as at 31 Mar 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				As at 31st March 2023
			Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	15.08	10.52	-	-	-	25.60
(ii) Others	50.45	186.75	653.41	90.05	37.05	-	1,017.71
	50.45	201.83	663.93	90.05	37.05	-	1,043.31

(i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31st March 2024	As at 31st March 2023
(a) The principal amount due to micro and small enterprises remaining unpaid to any supplier as at the end of each year		
- Principal amount due to micro and small enterprises (including capital creditors of Rs. 0.74 million as at 31 March 2024; Rs. 3.73 million as at 31 Mar 2023)	60.06	29.33
- Interest due on the above	0.25	0.11
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	238.12	38.80
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1.42	2.60
(d) The amount of interest accrued and remaining un-paid at the end of each accounting year	1.67	2.71
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	4.50	2.83

This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.



Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
19	Revenue from operations		
	Sale of products	2,305.62	1,711.79
	Sale of services	1,637.95	1,398.00
	Other operating revenue - Sale of scrap	2.72	2.16
	Total	3,946.29	3,111.95

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by nature of services. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Sale of products- Export	2,018.91	1,402.55
Sale of products- Domestic	286.71	309.24
Sale of service - Export	1,596.77	1,291.41
Sale of service - Domestic	41.18	106.59
Total	3,943.57	3,109.79

Disaggregated revenue information

- (a) In the following table, revenue from contracts with customers is disaggregated by primary geographical market

Revenue from contracts with customers

Singapore	3,579.96	2,679.22
India	330.62	417.98
Poland	35.71	13.46
Italy	-	1.29
Total	3,946.29	3,111.95

Geographical revenue is allocated based on the location of the customers.

- (b) **Revenue from major customers**

Revenue from two customer of the Company is Rs.3579.96 Mio which is individually more than 10 percent of the Company's total revenue.

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	Percentage	Amount	Percentage	Amount
Customer -1	91%	3,579.96	86%	2,679.21
Customer -2	-	-	13%	392.46

20 Other income

Interest from banks on deposits	101.92	49.16
Interest on intercompany loan	6.69	0.09
Interest on income tax refund	0.38	0.13
Interest Income from financial assets	5.00	4.42
Interest on performance deposit	0.93	-
Guarantee commission	6.60	-
Net profit on sale of asset	-	1.39
Gain on forward contract cancellation	0.62	-
Others	-	0.01
Total	122.14	55.20

21 Cost of materials consumed

Opening stock	589.28	695.22
Add: Purchases	1,514.38	1,219.22
Less: Closing stock	730.86	589.28
Total	1,372.80	1,325.16

22 Changes in inventories of finished goods and work-in-progress

Inventories at the end of the year:

- Finished goods	46.70	121.82
- work-in-progress	37.83	81.69

Inventories at the beginning of the year:

- Finished goods	121.82	65.80
- work-in-progress	81.69	4.82

Net (increase) / decrease	118.98	(132.89)
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Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
23	Employee benefits expense		
	Salaries and wages	887.53	758.52
	Contribution to provident and other funds	63.39	64.01
	Staff welfare expenses	75.93	68.94
	Total	1,026.85	891.46
24	Finance costs		
	Interest on intercompany loan	35.44	11.99
	Interest on leases	138.85	141.99
	Interest on Performance Deposit	0.62	-
	Interest on bank borrowings	254.52	88.00
	Interest on delayed payments to MSME vendors	1.67	2.71
	Guarantee commission	3.25	-
	Other finance costs	9.12	9.66
	Total	443.47	254.35
25	Depreciation and amortisation expense		
	Depreciation on Property, plant and equipment	105.07	97.12
	Depreciation on Right of use assets	205.85	204.76
	Amortisation of intangible assets	28.69	22.62
	Total	339.61	324.50
26	Other expenses		
	Consumables	94.71	100.02
	Rent	2.98	7.67
	Power charges	141.38	152.41
	Water charges	13.87	13.94
	Analytical and testing charges	40.50	72.02
	Security and housekeeping charges	63.30	43.81
	Rates and taxes	44.34	44.54
	Freight and forwarding	53.93	28.82
	Printing and stationery	7.15	7.43
	Insurance	9.95	3.56
	Staff recruitment expenses	4.70	7.45
	Business promotion	2.16	14.69
	Legal and professional fees	153.16	110.10
	Payments to statutory auditors (Refer note (i) below)	4.55	2.16
	Repairs and maintenance		
	Building	10.56	11.97
	Machinery	116.09	118.78
	IT	57.43	46.39
	Travelling and conveyance	22.61	22.29
	Communication expenses	3.86	3.46
	Environmental and safety expenses	6.93	13.95
	Net loss on foreign currency transactions	4.75	48.61
	Loss on forwards contract cancellation	-	36.16
	Net Loss on sale of asset	1.51	-
	Miscellaneous expenses	2.30	1.15
	Total	862.72	911.38
(i)	Payments to the Statutory Auditors comprises (net of taxes) for:		
	Audit of financial statements	2.40	2.10
	Audit of special purpose financial statements	1.25	-
	Certification fees	0.80	-
	Out of pocket expenses	0.10	0.06
	Total	4.55	2.16



Note

No.

27 Tax expenses

Current tax: During the year, the Company has a taxable income of Rs. 53.01 Mn under normal provisions and a tax loss of Rs. 106.42 Mn under Sec 115JB (MAT provisions) of the Income Tax Act 1961 (estimated). The said taxable income has been set-off against the brought forward tax losses and unabsorbed depreciation amounting to Rs. 679.38 Mn (as at 31 March 2023).
Deferred tax: The Company has accumulated tax losses and unabsorbed depreciation of Rs. 626.37 million as at 31 March 2024 (Rs. 679.38 Mn as at 31 March 2023). In the absence of reasonable certainty, deferred tax asset is not recognized on such tax losses or unabsorbed depreciation that are being carried forward.

28 Leases

Company as a lessee : The Company has entered into lease arrangements for land and office buildings. Refer Note 1.10 for the accounting policies adopted by Company respectively in respect of Ind AS 116.

Movement in lease liabilities during the year:

Lease liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Opening balance	1,950.52	767.85
Additions	-	1,226.80
Interest	138.85	141.99
Lease payments	(196.07)	(186.12)
Closing balance	1,893.30	1,950.52
Current	73.93	57.22
Non-current	1,819.37	1,893.30

Maturity analysis of OLL (undiscounted)	As at 31st March 2024			As at 31st March 2023		
	1 year	>1 to 5 years	More than 5 years	1 year	1 to 5 years	More than 5 years
Building	207.64	1,520.37	884.31	196.07	1,351.07	1,261.25

Note

The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

29 Commitments and Contingent liabilities (to the extent not provided for)

Particulars	As at 31st March 2024	As at 31st March 2023
a) Contingent liabilities	-	-
b) Commitments - Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	48.18

30 Earnings per share:

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Loss attributable to the equity holders of the Company	(96.00)	(406.81)
Weighted average number of equity shares used as denominator in calculating earnings per share	19,222	17,998
Add: Conversion of dilutive instruments	-	-
Weighted average number of equity shares for diluted earnings per share	19,222	17,998
Basic earnings per share (Amount in Rs.)	(4,994.28)	(22,603.07)
Diluted earnings per share (Amount in Rs.)	(4,599.68)	(22,603.07)

31 Segment Information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assessing performance.

The Company is mainly engaged in the business of Pharmaceuticals. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz: Pharmaceuticals.

Geographical Information

(i) Revenue from Operation

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Singapore	3,579.96	2,679.22
India	330.62	417.98
Poland	35.71	13.46
Italy	-	1.29
Total Revenue	3,946.29	3,111.95

(ii) Non-current assets*

Particulars	As at 31st March 2024	As at 31st March 2023
India	2,548.95	2,816.70
Total	2,548.95	2,816.70

*Non-current assets do not include financial assets under financial instruments.



Note
No.

32 Financial instruments

32.01 Categories of Financial Instruments

Particulars	As at 31st March 2024		As at 31st March 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Measured at amortised cost				
Cash and bank balances	1,589.53	1,589.53	1,607.98	1,607.98
Trade receivables	1,595.99	1,595.99	519.96	519.96
Other financial assets at amortised cost	132.38	132.38	89.77	89.77
Financial liabilities:				
Measured at amortised cost				
Borrowings	4,463.70	4,463.70	2,515.81	2,517.64
Lease liabilities	1,893.30	1,893.30	1,950.52	1,950.52
Trade payables	973.34	973.34	1,043.31	1,043.31
Other financial liabilities	285.31	285.31	121.23	121.23

The management assessed that the carrying amounts of financial assets and financial liabilities recognised in the financial statements at amortised cost will reasonably approximate their fair values.

32.02 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

32.03 Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

32.04 Foreign currency risk management

The Company is exposed to foreign exchange risk due to:

- exposure arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency (i.e. Indian rupees).

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:

Exposure to the Currency	As at 31st March 2024		As at 31st March 2023	
	Receivable/ (payable) in foreign currency	Receivable/ (payable) in Rs.	Receivable/ (payable) in foreign currency	Receivable/ (payable) in Rs.
USD (In Million)	14.97	1,248.92	3.49	287.36
CAD (In Million)	-	-	(0.04)	(2.46)
EUR (In Million)	(0.49)	(44.41)	(0.35)	(29.97)
GBP (In Million)	-	-	(0.00)	(0.17)

32.05 Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include payables in foreign currencies. The Company considers US Dollar and Canadian Dollar to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against Rs. is given below:

Exposure to the Currency	As at 31st March 2024	As at 31st March 2023
	Increase / (Decrease) in Equity	Increase / (Decrease) in Equity
Appreciation in the USD	62.45	14.37
Depreciation in the USD	(62.45)	(14.37)
Appreciation in the CAD	-	(0.12)
Depreciation in the CAD	-	0.12
Appreciation in the EUR	(2.22)	(1.50)
Depreciation in the EUR	2.22	1.50
Appreciation in the GBP	-	0.01
Depreciation in the GBP	-	(0.01)

The impact on profit has been arrived at by applying the effects of appreciation / depreciation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purpose of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at each year end.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.



Note
No.

32.06 Interest rate risk management

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed-rate instruments		
Financial assets		
Balance with banks held in deposit account	1,588.65	1,607.02
Total	1,588.65	1,607.02
Variable-rate instruments		
Financial liabilities		
Borrowings from bank	2,144.36	1,348.26
Loan from related party	868.00	307.32
Total	3,012.36	1,655.58

32.07 Financial risk management

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company has an internal mechanism of determining the credit rating of the customers and setting credit limits. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company is not significantly exposed to geographical credit risk as the counterparties operate across various countries across the globe.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity analysis for Non-Derivative Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include repayment of principal amounts. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial liabilities	Due within (years)			Total	Carrying value
	< 1 Year	1 to 3 Years	> 3 Years		
Borrowings (including inter-company loan)					
- As on March 31, 2024	3,467.66	405.92	590.12	4,463.70	4,463.70
- As on March 31, 2023	1,897.60	279.38	340.66	2,517.64	2,515.81
Interest payable on borrowings					
- As on March 31, 2024	74.14	-	-	74.14	74.14
- As on March 31, 2023	38.92	-	-	38.92	38.92
Lease liabilities					
- As on March 31, 2024	207.64	787.82	1,616.86	2,612.32	1,893.30
- As on March 31, 2023	196.07	421.16	2,191.16	2,808.39	1,950.52
Trade and other payable					
- As on March 31, 2024	1,258.65	-	-	1,258.65	1,258.65
- As on March 31, 2023	1,164.54	-	-	1,164.54	1,164.54

32.08 Capital management

The Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity. The company has not met with few of financial covenants prescribed but company is not expecting any interest or penalty for the same. The Company is not subject to any externally imposed capital requirements.

32.09 Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	As at 31st March 2024	As at 31st March 2023
Debt (including lease liabilities)	6,357.00	4,466.33
Less:		
Cash and bank balances	(1,589.53)	(1,607.98)
Net debt (A)	4,767.47	2,858.35
Total equity (B)	(34.85)	71.69
Net debt to equity ratio (A/B)	(136.80)	39.87



Note

No.

33 Employee Benefits Plans

Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. During the year, the Company recognised Rs.47.54 Million (previous period: 40.61 Million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

The Company operates a gratuity plan, a defined employee benefit scheme covering qualifying employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Composition of the plan assets

The scheme is funded through a trust and the fund is managed by LIC, the fund manager. The details of composition of plan assets managed by the fund manager is not available with the Company. However, the said funds are subject to Market risk (such as interest risk, investment risk, etc.).

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	31-Mar-24	31-Mar-23
Discount rate(s)	7.20%	7.42%
Expected rate(s) of salary increase	9.00%	8.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age (years)	58	58

Amounts recognised in Statement of Profit and loss and in other comprehensive income in respect of this defined benefit plans are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Service cost:		
Current service cost	14.93	13.95
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.92	9.45
Components of defined benefit costs recognised in statement of profit and loss	15.85	23.40
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	(0.34)	(2.19)
Actuarial (gains) / losses arising from changes in demographic assumptions	0.41	(1.22)
Actuarial (gains) / losses arising from changes in financial assumptions	12.50	(4.35)
Actuarial (gains) / losses arising from experience adjustments	(2.03)	5.76
Components of defined benefit costs recognised in other comprehensive income	10.54	(2.00)
Total	26.39	21.40

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Present value of funded defined benefit obligation	188.49	157.98
Fair value of plan assets	(145.43)	(135.07)
Funded status	43.06	22.91
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	43.06	22.91



Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Opening defined benefit obligation	157.98	143.42
Add: Acquisition / (disposal)	-	-
Expenses recognised in statement of profit and loss		
Current service cost	14.93	13.95
Past service cost and (gain)/loss from settlements	-	-
Interest cost	10.94	9.53
Remeasurement (gains)/losses		
Actuarial (gains) / losses arising from changes in demographic assumptions	0.41	(1.22)
Actuarial (gains) / losses arising from changes in financial assumptions	12.50	(4.35)
Actuarial (gains) / losses arising from experience adjustments	(2.03)	5.76
Benefits paid	(6.24)	(9.11)
Closing defined benefit obligation	188.49	157.98

Change in fair value of plan assets:

Particulars	As at 31st March 2024	As at 31st March 2023
Fair value of plan assets at end of prior year	135.07	1.20
Expected return on plan assets	10.02	0.08
Employer contributions	-	-
Acquisition / Divestiture	-	131.60
Actuarial gain/(loss) on plan assets	0.34	2.19
Fair value of plan assets at end of year	145.43	135.07

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

Principal assumption	Year	Changes in assumption	Gratuity	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2024	100bps	177.19	201.25
	2023	100bps	149.25	167.74
Salary growth rate	2024	100bps	197.38	178.35
	2023	100bps	166.65	149.94

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows towards the plan are as follows-

Financial Year	As at 31st March 2024	As at 31st March 2023
Year 1	25.55	21.00
Year 2	22.42	19.38
Year 3	17.35	20.94
Year 4	20.47	15.52
Year 5	20.45	17.99
Years 6 to 10	87.28	76.86
Above 10 years	141.71	99.16



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Notes to the standalone financial statements for the year ended 31st March 2024
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Note No.

34 Related party information:

34.01 List of related parties:

- (i) **Controlling parties**
Tenshi Pharmaceuticals Private Limited, Parent Company (refer note (a) below)
Arun Kumar Pillai, Promoter
- (ii) **Jointly controlled entities**
Steribrooks Penems Private Limited
Brooks Sterisience Limited
- (iii) **Directors and Key Management Personnel:**
Aditya Arun Kumar, Director
Tarun Singh, Wholtime Director (Up to 16th May, 2024)
Chhitzit Saraogi, Director (From 17th May, 2024)
C Seetharamaiah, Director
Ankur Nand Thadani, Director (Up to 16th May, 2024)
Mahadevan Narayanamoni, Director
Neeraj Sharma, Director
Bhushan Bopardikar, Director (From 17th May, 2024)
- (iv) **Subsidiaries**
Sterisience Specialities Pte Ltd (wef from 31st March 2024) (refer note b)
- (v) **Fellow subsidiaries**
Tenshi Kaizen Private Limited
Sterisience Pte Limited
Sterisience Sp. Z o.o.
- (vi) **Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.**
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)
Strides Pharma Science Limited
Arcolab Private Limited
Chayadeep Properties Private Limited
Solara Active Pharma Sciences Limited
Karuna Business Solutions LLP

Notes:

a) Pursuant to scheme of amalgamation approved by relevant regulatory authority on November 29, 2022, Tenshi Life Sciences Private Limited ('TLSPL') and Karuna Healthcare Private Limited ('KHPL') have been merged into Tenshi Pharmaceuticals Private Limited. The Company has filed the scheme approval copy with the Registrar of Companies on January 06, 2023.

b) Sterisience Specialities Pte Ltd is set up on 31st March 2024 and no investment is made as of 31st March 2024.

34.02 Transactions for the year

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Subsidiaries/Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023
Equity shares										
Tenshi Pharmaceuticals Private Limited	-	0.67	-	-	-	-	-	-	-	-
Loan taken from										
Tenshi Pharmaceuticals Private Limited	1,182.80	305.00	-	-	-	-	-	-	-	-
Loan refunded										
Tenshi Pharmaceuticals Private Limited	622.12	16.50	-	-	-	-	-	-	-	-
Interest expense accrued										
Tenshi Pharmaceuticals Private Limited	35.44	11.99	-	-	-	-	-	-	-	-
Loan given to										
Brooks Sterisience Limited	-	-	122.10	10.20	-	-	-	-	-	-
Loan repaid by										
Brooks Sterisience Limited	-	-	7.50	-	-	-	-	-	-	-



Note
No.

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Subsidiaries/Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest income										
Brooks Sterisience Limited	-	-	6.69	0.09	-	-	-	-	-	-
Investments in equity shares										
Brooks Sterisience Limited	-	-	-	400.71	-	-	-	-	-	-
Sale of goods										
Sterisience Sp. Z o.o.	-	-	-	-	-	-	35.72	3.43	-	-
Sterisience Pte. Limited	-	-	-	-	-	-	1,983.19	1,399.12	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	0.86	0.61
Brooks Sterisience Limited	-	-	57.64	52.88	-	-	-	-	-	-
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	0.59	0.18
Sales return										
Brooks Sterisience Limited	-	-	-	51.99	-	-	-	-	-	-
Sale of service										
Brooks Sterisience Limited	-	-	0.86	21.88	-	-	-	-	-	-
Sterisience Pte. Limited	-	-	-	-	-	-	1,596.77	1,280.09	-	-
Sterisience Sp. Z o.o.	-	-	-	-	-	-	-	10.03	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	39.00	-
Tenshi Kaizen Private Limited	-	-	-	-	-	-	0.04	-	-	-
Sale of asset										
Brooks Sterisience Limited	-	-	-	3.38	-	-	-	-	-	-
Sterisience Sp. Z o.o.	-	-	-	-	-	-	-	3.42	-	-
Purchase of goods										
Solara Active Pharma Sciences Limited	-	-	-	-	-	-	-	-	0.63	0.06
Sterisience Pte. Limited	-	-	-	-	-	-	22.83	-	-	-
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	71.07	47.63
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	0.41	1.80
Sterisience Sp. Z o.o.	-	-	-	-	-	-	-	43.17	-	-
Research & development service										
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	-	14.14
Purchase returns of goods										
Tenshi Pharmaceuticals Private Limited	-	-	-	-	-	-	-	-	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	-	5.11
Business support service & IT expense										
Tenshi Pharmaceuticals Private Limited	18.31	21.82	-	-	-	-	-	-	-	-
Arcolab Private Limited	-	-	-	-	-	-	-	-	91.81	92.60
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	37.88	-
Security deposit paid										
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	-	-
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	-	4.19
Rent										
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	107.21	101.14
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	27.49	28.27
Employee cost										
Tarun Singh	-	-	-	-	23.87	21.90	-	-	-	-
Commission on Coporate Guarantee received from										
Tenshi Pharmaceuticals Private Limited	3.25	-	-	-	-	-	-	-	-	-
Commission on Coporate Guarantee paid to										
Brooks Sterisience Limited	-	-	6.50	-	-	-	-	-	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	0.10	-



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(Amount in Rupees Million, except for shares data or as otherwise stated)

Note
No.

34.03 Balances with related parties

Particulars	Controlling parties		Jointly controlled entities		Directors /KMP/ Relatives of KMP		Subsidiaries/Fellow subsidiaries		Enterprises controlled, owned or significantly influenced by controlling parties, directors and key management personnel.	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Equity shares										
Tenshi Pharmaceuticals Private Limited	362.76	362.76	-	-	-	-	-	-	-	-
Loans payable										
Tenshi Pharmaceuticals Private Limited	868.00	307.32	-	-	-	-	-	-	-	-
Interest payable										
Tenshi Pharmaceuticals Private Limited	56.44	24.54	-	-	-	-	-	-	-	-
Loans receivable										
Brooks Sterisience Limited	-	-	124.80	10.20	-	-	-	-	-	-
Interest receivable										
Brooks Sterisience Limited	-	-	8.04	2.02	-	-	-	-	-	-
Corporate guarantee received										
Tenshi Pharmaceuticals Private Limited	4,100.00	2,500.00	-	-	-	-	-	-	-	-
Corporate guarantee Given										
Brooks Sterisience Limited	-	-	650.00	-	-	-	-	-	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	-	-
Security provided towards loan taken by										
Tenshi Kalzen Private Limited	-	-	-	-	-	-	220.00	220.00	-	-
Investments in equity shares										
Brooks Sterisience Limited	-	-	1,144.90	1,144.90	-	-	-	-	-	-
Security deposit										
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	75.86	75.86
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	19.07	10.78
Trade receivables										
Brooks Sterisience Limited	-	-	88.41	25.35	-	-	-	-	-	-
Sterisience Sp. Z o.o.	-	-	-	-	-	-	36.03	14.88	-	-
Sterisience Specialities Pte Ltd	-	-	-	-	-	-	955.99	-	-	-
Onesource Specialty Pharma Limited (formerly known Stelis Biopharma Limited)	-	-	-	-	-	-	-	-	44.01	1.01
Sterisience Pte Limited	-	-	-	-	-	-	485.60	234.09	-	-
Sorides Pharma Science Limited	-	-	-	-	-	-	-	-	1.22	-
Trade payables										
Tenshi Pharmaceuticals Private Limited	45.05	48.94	-	-	-	-	-	-	-	-
Solara Active Pharma Sciences Limited	-	-	-	-	-	-	-	-	0.55	-
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	171.10	59.57
Areolab Private Limited	-	-	-	-	-	-	-	-	46.04	72.97
Sterisience Sp. Z o.o.	-	-	-	-	-	-	-	7.96	-	-
Karuna Business Solutions LLP	-	-	-	-	-	-	-	-	23.76	27.31
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	5.71	7.28
Payable pursuant to Business Transfer Agreement										
Tenshi Pharmaceuticals Private Limited	117.90	117.90	-	-	-	-	-	-	-	-



Sterisience Specialties Private Limited (CIN:U24304MH2020PTC4248)
Consol Financial Statements as at 31st March 2024
(Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Consol As on 31ST March 2024
Assets	
Non-current assets	
(a) Property, plant and equipment	1,720.34
(b) Right-of-use assets	1,634.68
(c) Capital work in progress	406.84
(d) Other intangible assets	1,480.11
(e) Intangible assets under development	109.29
(f) Financial assets	-
(i) Investments	31.15
(ii) Loans	-
(iii) Other financial assets	92.65
(g) Other non-current assets	18.42
Total non-current assets	5,493.48
Current assets	
(a) Inventories	1,009.01
(b) Financial assets	-
(i) Trade receivables	458.94
(ii) Cash and cash equivalents	1.01
(iii) Bank balances other than (ii) above	1,644.65
(iv) Loans	-
(v) Other financial assets	42.46
(c) Other current assets	545.14
Total current assets	3,701.22
Total assets	9,194.70
Equity and liabilities	
Equity	
(a) Equity share capital	0.19
(b) Other equity	-633.55
Equity attributable to the owners of the company	-633.35
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	1,274.69
(ii) Lease liabilities	1,819.37
(iii) Other financial liabilities	-
(b) Provisions	95.88
(c) Other non-current liabilities	13.46
Total non-current liabilities	3,203.40
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	3,698.20
(ii) Lease liabilities	73.93
(iii) Trade payables	-
- Dues of micro and small enterprises	79.49
- Dues of other than micro and small enterprises	1,428.21
(iv) Other financial liabilities	747.91
(b) Provisions	13.57
(c) Other current liabilities	583.34
Total current liabilities	6,624.65
Total liabilities	9,828.05
Total equity and liabilities	9,194.70

For and on behalf of Management

Chhitiz Saraogi

Date : August 6, 2024



Steriscience Specialties Private Limited (CIN:U24304MH2020PTC424881)

Consol Statement of Profit and Loss for the year ended 31st March 2024

(Amount in Rupees Million, except for shares data or as otherwise stated)

Particulars	Consol As on 31ST March 2024
Revenue from operations	4,060.18
Other income	113.74
Total income	4,173.93
Expenses	
(a) Cost of materials consumed	1,422.78
(b) Changes in inventories of finished goods and work-in-progress	128.40
(c) Employee benefits expense	1,141.38
(d) Finance costs	475.66
(e) Depreciation and amortisation expenses	423.63
(f) Other expenses	1,004.25
Total expenses	4,596.11
Loss before tax	-422.18
Tax expense	
(a) Current tax	-
(b) Deferred tax	-103.90
Loss for the year	-526.08
Other comprehensive income	
(a) Items that will not be reclassified subsequently to profit or (loss)	-11.43
(b) Income tax relating to items that will not be reclassified subsequently to profit or (loss)	-
Total other comprehensive income	-11.43
Total comprehensive loss for the year	-537.51
Earnings per equity share (face value of Rs. 10/- each)	
(a) Basic (in Rs.)	-27,368.64
(b) Diluted (in Rs.)	-25,206.27

For and on behalf of Management

Chhitiz Saraogi

Date : August 6, 2024



INDEPENDENT AUDITOR'S REPORT

To The Members of Onesource Specialty Pharma Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2024, and Standalone the Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

Sl. No.	Key Audit Matters	Auditor's responses
1	Going concern assessment The Company has recorded a loss amounting to 3,904.02 million for the year ended 31 March 2024.	Our audit procedures to assess the going concern assumption and whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Company's ability to continue as a going concern

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Sl. No.	Key Audit Matters	Auditor's responses
	<p>Note 2.2(b) to the standalone financial statements explain that Management has concluded that the going concern basis is appropriate in preparing the standalone financial statements of the Company.</p> <p>The Company evaluated its ability to continue as a going concern based upon an assessment of the following:</p> <ul style="list-style-type: none"> - monetizing the value of the intangibles by way of obtaining marketing rights from regulatory authorities and licensing them; - generating increased revenues from CDMO operations; - raising of funds through issue of non-convertible debentures; - infusion of capital by current shareholders to the extent of partly paid shares; and - continuing financial support from promoter shareholders. <p>This required the exercise of significant judgement, particularly in forecasting the Company's ability to meet all its obligations as and when it falls due. The Management has also considered that the majority of the Company's borrowings are backed by the corporate guarantees of Strides Pharma Science Limited ('Strides'), an entity having significant influence over the Company.</p> <p>Based on their assessment, the Management concluded that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern.</p> <p>Considering the significance of the area to the overall standalone financial statements this was significant for our audit.</p>	<p>included the following audit procedures to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Gaining an understanding and assessing the design, implementation and operating effectiveness of Company's key internal controls over preparation of cash flow forecasts to assess its liquidity; • Compared the forecasted cash flows with the Company's business plan approved by the board of directors; • Evaluating the key assumptions in the cash flow forecasts with reference to historical information, current performance, future plans, and market and other external available information; • Performing a retrospective review to assess the reasonableness of Company's past projections by comparing historical forecasts to actual results; • Assessing the underlying supporting documents including corporate guarantee agreements provided by Strides on behalf of the Company to its lenders and confirmation received from Strides to extend necessary support, contracted licensing and manufacturing service agreements, proposed debt financing related underlying documents; • Assessing the pending infusion by the current shareholders towards partly paid-up shares and financial support from the promoters and a promoter group Company; • Performing sensitivity analysis on the forecasted cash flows by considering plausible changes to the key assumptions adopted by the Company; and • Assessing the adequacy of the disclosures related to application of the going concern assumption.
2	Impairment assessment in respect of carrying value of the assets of the Cash Generating Unit (CGU) (which includes intangible assets under	Our principal audit procedures performed, among other procedures included:

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Sl. No.	Key Audit Matters	Auditor's responses
	<p>development and assets relating to Unit 1 – Research and Development Unit and Unit 2 - Contract Development and Manufacturing Organization (CDMO) as at 31 March 2024:</p> <p>As stated in note 4F of the standalone financial statements, the Management of the Company has assessed the annual impairment of CGU (which includes intangible assets under development and assets relating to Unit 1 – Research and Development Unit and Unit 2 - Contract Development and Manufacturing Organization (CDMO)).</p> <p>The carrying value of the CGU is tested by the Management atleast annually for impairment, or more frequently if the events or changes in circumstances indicate that the asset might be impaired. The evaluation requires a comparison of the estimated recoverable value of the CGU to the carrying value of the assets in the CGU. The Management has involved external specialist to carry out impairment assessment.</p> <p>We have considered this to be a key focus area because of the significance of the balance and the significant estimates, judgements and assumptions involved in impairment assessment by the Management, such as:</p> <ul style="list-style-type: none"> • Obtaining adequate financing to fulfil the Company's development and commercial activities, • the risks associated with development and obtaining regulatory approvals of the Company's products, • generation of revenues in due course from the product portfolio and contract manufacturing, attainment of profitable operations, • agreeing with the appropriate partner for the developments of product portfolio, 	<ul style="list-style-type: none"> • We obtained an understanding of the Management's process for impairment assessment of the carrying value of assets of the CGU. • Evaluated the design and implementation of the relevant controls and carried out testing of the Management's control around the impairment assessment. • We inquired with Management to understand the factors considered when performing the impairment assessment including the rationale for the events and circumstances considered based on strategic plans of the entity (business revenue projections), consideration of economic and industry matters and the factors considered regarding the overall value in use conclusion. • Evaluated the competence of the Management's expert and the key assumptions considered in the management's estimates of future cash flows. • Involved our independent valuation specialist to assist in evaluating methodologies, terminal growth rate, the discount rate applied, which included benchmarking the weighted average cost of capital with sector averages for the relevant markets in which the CGU operates and considering Company specific factors and other key assumptions considered in the calculations. • Compared the historical cash flows (including for current year) against past projections of the Management for the same periods and gained understanding of the rationale for the changes. • Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows. • We ascertained the extent to which a change in these assumptions, both individually or in aggregate, would result in impairment, and

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Sl. No.	Key Audit Matters	Auditor's responses
	<ul style="list-style-type: none"> meeting or capturing the estimated market share for the product portfolios, discount rate, and probabilities applied to the revenues which also factors management's best estimate of possible delay in product development cycle and regulatory approvals. 	<ul style="list-style-type: none"> considered the likelihood of such events occurring. We tested the arithmetical accuracy of the computations. We assessed the accounting principles applied by the Company and adequacy of disclosures in accordance with the Indian Accounting Standards, applicable regulatory financial reporting framework and other accounting principles generally accepted in India.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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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 financial controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 37 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 37 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that (refer note 41 to the standalone financial statements):
 - (i) for one accounting software, audit trail was not enabled for certain direct changes to tables at the application level. Accordingly, we are unable to comment on whether there was any instance of the audit trail feature being tampered with.

(ii) for another accounting software operated by a third party software service provider for maintaining payroll records, based on the independent auditor's system and organisation controls report covering the requirement of audit trail, the software has a feature of recording audit trail (edit log) facility at the application level and the same has operated during the period April 1, 2023 till December 31, 2023 and there were no instance of audit trail feature being tampered with. In the absence of an independent auditor's system and organisation controls report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated post December 31, 2023, for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

For **Deloitte Haskins & Sells**

Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja

(Partner)

Membership Number: 220411
(UDIN: 24220411BKERLA2661)

Place: Bengaluru
Date: 17 May 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to standalone financial statements of Onesource Specialty Pharma Limited ("the Company") as at 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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

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permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, 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 31 March 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja

(Partner)

Membership Number: 220411
(UDIN: 24220411BKERLA2661)

Place: Bengaluru
Date: 17 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. No material discrepancies were noted on such verification.

(c) The Company do not have any immovable properties of freehold land. In respect of immovable properties of buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, quarterly returns or statements comprising stock statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.



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(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted and advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following:

Nature of entity	Nature	Amount	Due Date	Extent of Delay	Remarks, if any
Biolexis Pte Ltd	Interest on Loan	Rs. 0.05 Million	31 March 2022	730 days	None
Biolexis Pte Ltd	Interest on Loan	Rs. 0.12 Million	31 March 2023	365 days	None

(d) In respect of following loans granted and advances in the nature of loans provided by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the interest amount:

No. of Cases	Principal amount overdue	Interest overdue	Total overdue	Remarks, if any
1	Nil	Rs. 0.17 Million	Rs. 0.17 Million	None

(e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantees or securities during the year.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year ended 31 March 2024.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, Duty of custom, Duty of excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there have been slight delays in respect of remittance of Provident Fund and Income-tax dues. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

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Undisputed amounts payable in respect of Provident Fund, in arrears as at March 31, 2024 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of the Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date
Employee Provident Fund and Miscellaneous Provisions Act 1952	Provident Fund	4,975	Jun'23	15-Jul-23
		12,325	Jul'23	15-Aug-23
		12,325	Aug'23	15-Sep-23

- b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2024.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to bank except towards working capital facilities provided by one of the bankers where the Company had negotiated for extended timelines for repayment. The said working capital loan is fully repaid during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year ended 31 March 2024.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies

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(Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

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

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31 December 2023 and the draft of the internal audit reports issued after the balance sheet date covering the period 01 January 2024 to 31 March 2024 for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year ended 31 March 2024 the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries companies or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

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

The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs. 1,678 million during the financial year covered by our audit (excluding write off of inventories and related GST inputs amounting to Rs. 1,211 million which were acquired/spent in earlier years) and Rs. 3,618 million in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date (refer note 2.2(b) of the standalone financial statements regarding preparation of financial statements on going concern basis and the rationale for the same). 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.

Deloitte Haskins & Sells

(xx) (a) The Company is having net worth of rupees five hundred crore or more during the immediately preceding financial year. Hence, provisions of Section 135 of the Act are applicable to the Company during the year. However, considering that the Company has been incurring losses in the preceding three financial years, no amount is required to be spent by the Company.

(b) The Company do not have amount remaining unspent under subsection (5) of Section 135 of the Companies Act, pursuant to any ongoing project, which needs to be transferred to special account in compliance with the provision of sub-section (6) of Section 135 of the said Act.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja

(Partner)

Membership Number: 220411
(UDIN: 24220411BKERLA2661)

Place: Bengaluru
Date: 17 May 2024

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Standalone Balance Sheet as at March 31, 2024
CIN: U74140KA2007PLC043095

Rs. in Million			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
(a) Property, Plant and Equipment	4A	6,596.46	11,269.51
(b) Right of use assets	4B	227.84	399.08
(c) Capital work in progress	4C	427.35	1,912.31
(d) Other intangible assets	4D	1,801.56	1,944.68
(e) Intangible assets under development	4E	1,452.90	1,432.38
(f) Financial assets			
(i) Investments	5	39.09	0.10
(ii) Security deposits	6	41.11	100.30
(g) Other non-current assets	7	735.26	743.95
Total non-current assets		11,321.57	17,802.31
II Current assets			
(a) Inventories	8	112.31	1,331.57
(b) Financial assets			
(i) Investments	5	157.92	45.00
(ii) Trade receivables	9A	554.05	37.37
(iii) Cash and cash equivalents	10A	63.98	49.10
(iv) Bank balances other than (iii) above	10B	538.56	748.53
(v) Other financial assets	9B	50.00	-
(c) Other current assets	7	287.37	70.53
Total current assets		1,764.19	2,282.10
Total assets (I+II)		13,085.76	20,084.41
B. EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	11A	40.10	40.10
(b) Other equity	11B	3,937.33	7,827.04
Total Equity		3,977.43	7,867.14
II Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	2,715.92	3,348.75
(ii) Lease liabilities	13	83.22	211.15
(b) Provisions	14	23.96	21.50
Total Non-current liabilities		2,823.10	3,581.40
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,900.38	5,018.16
(ii) Lease liabilities	13	6.87	64.14
(iii) Trade payables	16		
(A) total outstanding dues of micro and small enterprises		144.46	170.99
(B) total outstanding dues of creditors other than micro and small enterprises		664.93	777.03
(iv) Other financial liabilities	17	1,553.89	1,950.46
(b) Provisions	14	42.98	35.83
(c) Other current liabilities	18	971.72	619.26
Total Current liabilities		6,285.23	8,635.87
Total Equity and liabilities (I+II)		13,085.76	20,084.41

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration Number : 008072S

Sandeep Kukreja
Partner
Membership Number : 220411



Place : Bengaluru
Date : May 17, 2024

For and on behalf of Board of Directors

P R Kannan
CFO & Executive Director
DIN : 03435206

Allaia Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024

Neeraj Sharma
Managing Director
DIN : 09402652



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

SI No	Particulars	Note No.	Rs. in Million	
			Year ended March 31, 2024	Year ended March 31, 2023
A.	Continuing Operations			
1	Revenue from operations	19	1,719.19	387.14
2	Other income	20	42.25	27.04
3	Total income (1+2)		1,761.44	414.18
4	Expenses			
(a)	Consumables	21	705.09	215.51
(b)	Employee benefits expenses	22	793.61	728.01
(c)	Finance costs	23	894.16	475.45
(d)	Depreciation and amortisation expenses	24	762.93	656.80
(e)	Other expenses	25	1,095.65	1,049.82
	Total expenses (4)		4,251.44	3,125.59
5	Loss before exceptional items and tax (3-4)		(2,490.00)	(2,711.41)
6	Exceptional items - loss (net)	26	(1,159.34)	(1,584.13)
7	Loss before tax (5+6)		(3,649.34)	(4,295.54)
8	Tax expense		-	-
9	Loss after tax from Continuing operations (7-8)		(3,649.34)	(4,295.54)
B.	Discontinued Operations			
(i)	Loss from Discontinued Operations	39	(856.30)	(3,695.58)
(ii)	Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	39	601.62	-
(iii)	Tax expense of discontinued operations		-	-
10	Loss after tax from discontinued operations		(254.68)	(3,695.58)
	Loss for the year (9+10)		(3,904.02)	(7,991.12)
11	Other Comprehensive Income			
	Items that will not be reclassified to statement of profit and loss			
	- Remeasurements of post employment benefit obligations- (loss) / gain	29	(5.25)	4.75
	Total other comprehensive (loss) / income		(5.25)	4.75
12	Total comprehensive loss for the year (10+11)		(3,909.27)	(7,986.37)
13	Loss per share (of Rs. 1/- each) (for continuing operations):	31		
	- Basic		(87.84)	(107.88)
	- Diluted		(87.84)	(107.88)
	Loss per share (of Rs. 1/- each) (for discontinued operations):			
	- Basic		(6.13)	(92.81)
	- Diluted		(6.13)	(92.81)
	Loss per share (of Rs. 1/- each) (for total operations):			
	- Basic		(93.97)	(200.69)
	- Diluted		(93.97)	(200.69)

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

Firm's Registration Number : 008072S

Sandeep Kukreja

Partner

Membership Number : 220411



Place : Bengaluru

Date : May 17, 2024

For and on behalf of Board of Directors

P R Kannan

CFO & Executive Director

DIN : 03435209

Allada Trisha

Company Secretary

Membership Number : A47635

Place : Bengaluru

Date : May 17, 2024

Neeraj Sharma

Managing Director

DIN : 09402652



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Standalone Statement of Cash Flow for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

Rs. in Million

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
A. Cash flow from operating activities				
Profit / (loss) before tax for the year				
Continuing Operations		(3,649.34)		(4,295.54)
Discontinued Operations		(254.68)		(3,695.58)
Profit / (loss) before tax for the year (including discontinued operations)		(3,904.02)		(7,991.12)
Adjustments for:				
Depreciation and amortisation	953.80		1,141.01	
Finance costs	1,171.63		1,207.63	
Interest income	(32.65)		(30.32)	
Write-off of Property, Plant and Equipment	-		7.11	
Share based payment expenses	19.56		59.59	
Advance written off	0.73		-	
Gain on termination of lease	(38.66)		(9.03)	
Loss on sale of asset	62.12		-	
Sundry Creditors written off	-		(0.06)	
Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	(601.62)		-	
Unrealised exchange (gain)/loss (net)	24.99		221.92	
Exceptional Items:				
Provision for inventories (including the inventories of discontinued operations)	1,223.29		1,867.37	
Write-off of GST related balance (including the balances of discontinued operations)	97.65		-	
Write-off related to inventories and other related balances of Akston Project	-		491.04	
Intangibles under development written-off	-		431.99	
Provision for impairment towards investment in Biolexis Private Limited	381.82		-	
Provision/(reversal of provision) for bad and doubtful debts in Biolexis Pte Ltd	(45.23)		140.79	
Provision/(reversal of provision) for bad and doubtful debts in Biolexis Private Limited	45.15		-	
Provision / (reversal of provision) towards investment in Biolexis Pte Ltd	(381.82)		520.31	
		2,880.76		6,049.35
Operating profit / (loss) before working capital changes		(1,023.26)		(1,941.77)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivable	(516.68)		187.86	
Other assets (financial & non-financial)	(277.21)		14.15	
Decrease / (increase) in inventories	(4.03)		(573.49)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(163.63)		150.94	
Other liabilities (financial & non-financial)	894.92		406.04	
		(66.63)		185.50
Net cash used for operating activities				
Income taxes (paid)/refund		-		109.31
Net cash used in operating activities (A)		(1,089.89)		(1,646.96)
B. Cash flow from investing activities				
Capital expenditure on property, plant and equipments including capital advances	(637.67)		(418.42)	
Proceeds from sale of asset	3.97		-	
Investments in subsidiaries and others	(465.97)		-	
Proceeds from sale of investment	381.83		-	
Proceeds from sale of multimodal facility	5,531.70		-	
Proceeds from / (contribution to) realisation of margin money on repayment of borrowings	610.17		(268.71)	
Investment in fixed deposit	(394.23)		-	
Interest received	30.09		30.32	
Net cash flow from / (used in) investing activities (B)		5,059.89		(656.81)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		5,647.58	
Proceeds from issue of non-convertible debentures and optionally convertible debentures	3,958.00		500.00	
Redemption of non-convertible debentures and optionally convertible debentures	(1,057.50)		-	
Proceeds of short term borrowings - Related party	2,539.59		955.00	
Repayment of short term borrowings - Related party	(2,904.59)		-	
Proceeds of short term borrowings	980.00		78.73	
Proceeds of long-term borrowings	-		28.52	
Repayment of long-term borrowings	(4,282.28)		(3,962.59)	
Repayment of short term borrowings	(1,983.96)		(926.05)	
Lease Payments	(65.63)		(85.10)	
Interest paid	(1,025.83)		(1,052.91)	
Net cash (used in) / flow from financing activities (C)		(3,842.20)		1,183.18



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
 Standalone Statement of Cash Flow for the year ended March 31, 2024
 CIN: U74140KA2007PLC043095

Net increase / (decrease) in cash and cash equivalents (A+B+C)		127.80	(1,120.59)
Cash and cash equivalents at the beginning of the year		94.10	1,214.69
Cash and cash equivalents at the end of the year		221.90	94.10
Reconciliation of cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents as per Balance Sheet (Refer Note 10A)		63.98	49.10
Liquid Mutual Funds (Refer Note 5)		157.92	45.00
Cash and cash equivalents at the end of the year *		221.90	94.10
* Cash and cash equivalents comprises:			
Cash on hand		0.03	0.66
Balances with banks			
- in current accounts		63.95	48.44
Liquid Mutual Funds		157.92	45.00
Total		221.90	94.10

Refer note 12A for reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities.

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
 For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration Number 008072S

Sandeep Kukreja
 Partner
 Membership Number : 220411



Place : Bengaluru
 Date : May 17, 2024

For and on behalf of Board of Directors

PR Kannan

P R Kannan
 CFO & Executive Director
 DIN : 03435599

Alfida Trisha
 Company Secretary
 Membership Number : A47635

Place : Bengaluru
 Date : May 17, 2024

Neeraj Sharma

Neeraj Sharma
 Managing Director
 DIN : 00332632



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Statement of Changes in Equity for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

A. Equity Share Capital

Rs. in Million		
(1) Current reporting year		
Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
40.10	-	40.10
(2) Previous reporting year		
Balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
30.36	9.74	40.10

B. Other equity

Particulars	Reserves and Surplus			Total equity attributable to equity holders of the Company
	Securities premium account	Share based payment reserve	Retained earnings	
Balance as at April 01, 2022	16,401.78	-	(6,285.80)	10,115.98
Loss for the year from continuing operations	-	-	(4,295.54)	(4,295.54)
Loss on Discontinuing Operations	-	-	(3,695.58)	(3,695.58)
Premium received on shares issued during the year	5,637.84	-	-	5,637.84
Remeasurements of post employment benefit obligations - Recognised as other comprehensive income	-	59.59	4.75	64.34
Balance as at March 31, 2023	22,039.62	59.59	(14,272.17)	7,827.04
Loss for the year from continuing operations	-	-	(3,649.34)	(3,649.34)
Loss on Discontinuing Operations	-	-	(254.68)	(254.68)
Charge for the year	-	19.56	-	19.56
Remeasurements of post employment benefit obligations - Recognised as other comprehensive income	-	-	(5.25)	(5.25)
Balance as at March 31, 2024	22,039.62	79.15	(18,181.44)	3,937.33

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration Number : 008072S

Sandeep Kulkarni
Partner
Membership Number : 220411



Place : Bengaluru
Date : May 17, 2024

For and on behalf of Board of Directors

P R Kannan
CFO & Executive Director
DIN : 03435209

Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024

Niraj Pham
Managing Director
DIN : 09402652



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note
No.

1 General Information

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited) (the 'Company' or 'Stelis') was incorporated in the state of Karnataka on June 12, 2007 and engaged in the research, development, manufacture and commercialisation of biological drug products in various injectable formats. Stelis also offers end-to-end CDMO services across all phases of pre-clinical and clinical development and commercial supply of biologics.

The Company's application to Central Government for change of name from Stelis Biopharma Limited to Onesource Specialty Pharma Limited dated November 26, 2023 was approved by the relevant regulatory authority on February 13, 2024.

2 Material accounting policies

2.1 Statement of compliance

These Standalone Financial Statements have been prepared to comply with recognition and measurement principles of Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

2.2(a) The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Accounting policies have been consistently applied 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.

Historical cost is generally based on the fair value of the consideration given in exchange of assets.

2.2(b) During the year ended March 31, 2024, the Company has incurred loss of Rs. 3,904.02 million (year ended March 31, 2023 : Rs. 7,991.12 million). The current liabilities (including current maturities of long-term debt of Rs. 1,560.78 million) exceeded its current assets by Rs. 4,521.04 million as at March 31, 2024. The Company also requires additional funds to continue its product development activities and day to day operations and completion of capital projects in progress.

The Company has requested temporary relaxations for compliance with the financial covenants from the lenders for the years ended March 31, 2024 as these have not been met. Pending approval from lenders, the Company has classified the entire outstanding amount as current borrowings as loan agreement provides for call back if financial covenants are breached.

The Company also expects to grow the business of Contract Development and Manufacturing Operations (CDMO). The Company has also signed several Manufacturing Services Agreements (MSA) for its CDMO business which is expected to convert into Commercial supplies under a Commercial Sales Agreement (CSA) on approval for the customer in future.

The Company had entered into the scheme of arrangement whereby the Company, will set up Specialty Pharma CDMO that will be established through the demerger of CDMO unit of Strides Sciences Private Limited and Oral Soft Gelatin technologies of Strides Pharma Science Limited. The Company had applied for the Scheme of arrangement during the year and the process of setting up is expected to complete by December 2024.

During the year, the promoter group companies and other investors have infused funds in the form of debt into the Company aggregating to Rs. 7,497.59 million (including Rs. 2,539.59 million from the promoter group companies). Subsequent to the reporting year, the Company has raised Rs. 2,000 million through issue of 20,000 non-convertible debentures of face value of Rs. 1 lakh each which will list with BSE India. The promoters are committed to continue to provide the requisite financial support to the Company as it requires in the normal course of business.

Majority of the Company's borrowings are backed by the corporate guarantees provided by Strides Pharma Science Limited (Strides), an entity having significant influence on the Company. The Company has received a confirmation from Strides affirming that in case of any guarantees revolving on Strides, they will provide 15 months time for repayment.

The management is confident of executing the aforesaid mitigation plans to ensure that the Company meets all its obligations in the normal course of business.

2.3 Revenue recognition

Revenue is measured based on the transaction price (net of variable consideration) allocated to that performance obligation. The Company recognises revenue when it transfers control of a product or service to a customer. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes.

2.3.1 Sale of Services

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on achievement of agreed milestones and are net of indirect taxes, wherever applicable.

Materials consumed during the process of providing aforesaid services are billed at cost plus agreed upon mark up with the customers.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is a tax collected on value added to the goods and services by the Company on behalf of the government. Accordingly, it is excluded from revenue.

Sale of goods

Revenue from sale of goods is recognised upon transfer of control to the customer. The point at which control passes depends on the terms set forth in the customer's contract. Generally, the control is transferred upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product sold.

The Company recognises a deferred income (contract liability) if consideration has been received before the company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, noncancellable or otherwise enforceable contracts.

2.3.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4 Functional Currency

The Standalone Financial Statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

2.5 Foreign currencies transactions and translation

At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement profit and loss in the year in which they arise.



Note
No.

2.6 Leases

2.6.1 The Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.6.2 The Company as lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves—

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Company has entered into lease arrangements for its factory land and office premises. The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.7 Borrowing costs

Borrowing costs include:

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.8 Employee benefits

2.8.1 Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled.

2.8.2 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting year. Remeasurement, comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest), are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the year in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss when the plan amendment, or curtailment occurs, or when the Company recognises related restructuring costs or termination benefits, if earlier. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised 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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8.3 Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

2.8.4 Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the year in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2.8.5 Share based compensations

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.9 Taxation

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's tax expense is based on tax rates that have been enacted or substantively enacted by the end of the reporting year.



Note
No.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets includes Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.9.3 Current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment and depreciation

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed to be different and are as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Dies and punches : 4 years

Certain factory buildings: Lease year of the asset

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

When an item of property, plant and equipment is acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets, the cost of that item is measured at fair value (even if the entity cannot immediately derecognise the asset given up) unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

2.11 Intangible assets and amortisation

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in statement of profit or loss in the year in which it is incurred.

Expenses capitalised includes directly attributable cost of preparing intangible asset for its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.11.3 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognised.

2.11.4 Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on straight line method.

Software Licenses : 3 - 5 years

Marketing and manufacturing rights : 15 years

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



Note
No.

2.12.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.12.2 Contingent liabilities

Contingent liabilities are disclosed in notes when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in the Standalone Financial Statements.

2.13 Financial instruments

Investment in subsidiaries

The Company has accounted for its investments in subsidiaries at cost less impairment.

Other financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

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

Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

De-recognition of financial assets and liabilities:

The Company derecognises the financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to the other entity. If the Company neither transfers nor retains substantially all risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for the amounts it may have to pay. If the Company retains substantially all risks and rewards of the ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

2.14 Impairment of assets

Impairment of non-financial assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

Impairment of financial assets:

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Impairment of investment in subsidiaries:

The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.15 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Cost is determined as follows:

Raw materials, packing materials and consumables	Weighted average basis
Finished Goods and WIP	Weighted average basis - Includes appropriate proportion of overheads

2.16 Goods and Service Tax Input credit

Goods and Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

2.17 Operating Cycle

As mentioned in para 1 above under 'General information', the Company is into development and manufacture of pharmaceutical products. Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 3 years to 5 years and 12 months relating to research and development activities and manufacturing of pharmaceutical products respectively. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.



**Note
No.**

2.18 Government Grants

Grants from the Government are recognised when there is reasonable assurance that:
(i) the Company will comply with the conditions attached to them; and
(ii) the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the years necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Government grants related to assets, including nonmonetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset.

2.19 Exceptional Items

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

2.20 Statement of Cash Flow

Cash flows are reported using the indirect method, where by Profit / (Loss) for the year is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.21 Discontinued Operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

The gain or loss arising on disposal business is recognised in the statement of profit and loss.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the management to make estimates and assumptions that affect the amounts reported for assets and liabilities including the recoverability of tangible and intangible assets, disclosure of contingent liabilities as at the date of the Standalone Financial Statements and the reported amounts of income and expenses during the reported year. Estimates and judgments are continually evaluated by the management.

3.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1.1 Useful lives of property, plant and equipment and Intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting year. This assessment may result in change in the depreciation expense in future years.

3.1.2 Recoverability of non-current assets

Annually, the Company reviews the carrying amount of carrying value of the assets of the Cash Generating Unit (CGU) (which included the property, plant and equipment, capital work-in progress, right-of-use asset, intangible asset and intangible assets under development) for impairment. The recoverability of non-current assets is based on the estimated future cash flows, using the Company's current business plan. The value in use of the assets were determined using a discounted cash flow methodology based primarily on unobservable inputs, including estimated post-tax future cash flows attributable to the assets and a post-tax discount rate reflecting a current market assessment of the time value of money and the risks specific to the assets. The changes in current estimates due to unanticipated events could have significant impact on the Standalone Financial Statements.

3.1.3 Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 29

3.1.4 Going Concern

The Company has mitigating plans due to which there is a reasonable expectation that the Company will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its Standalone Financial Statements remains appropriate. Also see Note 2.2(b).

3.1.5 Share based compensations

At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.1.6 Leases under Ind AS 116

Ind AS 116 requires lessees to determine the lease term as the non-cancellable year of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future years is reassessed to ensure that the lease term reflects the current economic circumstances.

3.1.7 Estimation of uncertainties relating to the geopolitical situation in Russia and Ukraine:

As at March 31, 2024, the Company has considered possible effects that may result from geopolitical situation in Russia and Ukraine, in preparation of the Standalone Financial Statements including assessing the recoverability of property, plant and equipment, intangible assets, capital work in progress, intangible assets under development, right of use assets, inventories and other assets. The Company has considered both internal and external information up to the date of approval of these Standalone Financial Statements. Based on current indicators of future economic conditions, the Management expects to recover the carrying amount of these assets. However, the impact of this geopolitical situation may be different from that estimated as at the date of approval of these financial statements given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.



Oncoance Specialty Pharma Limited (formerly known as Skulls Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note No. 4A Property, Plant and Equipment

Particulars	As at April 01, 2023	Additions	Disposals	De recognised on disposal of Business (prior note 3B)	As at March 31, 2024	As at April 01, 2023	Depreciation expense for the year	Eliminated on disposal of assets	Eliminated on disposal of Business (prior note 3B)	As at March 31, 2024	Net carrying value As at March 31, 2024
Landhold Improvements	1,440.89 (1,429.83)	4.48 (12.31)	-	23.56 (1,440.89)	1,211.81 (1,440.89)	254.25 (166.36)	51.87 (66.33)	-	-	263.81 (234.55)	918.00 (1,106.34)
Plant and Machinery	78.01 (1,932.32)	660.98 (1,932.32)	78.01 (1,932.32)	4,805.04 (1,932.32)	7,620.25 (1,932.32)	2,073.30 (1,223.81)	660.96 (73.26)	12.33 (23.20)	648.79 (96.06)	2,073.14 (1,299.87)	5,247.11 (3,030.02)
Office equipments	440.90 (1,440.89)	440.90 (1,440.89)	-	26.37 (1,440.89)	867.57 (1,440.89)	26.37 (30.00)	86.06 (23.66)	-	-	86.06 (30.00)	86.06 (30.00)
Computers	164.97 (156.41)	10.30 (12.37)	-	61.25 (156.41)	114.22 (156.41)	30.26 (28.33)	22.72 (28.33)	-	-	82.75 (84.71)	31.47 (84.71)
Furniture and Fixtures	110.92 (96.44)	2.58 (17.93)	1.32 (3.47)	32.29 (17.93)	79.89 (110.92)	23.23 (15.11)	9.16 (10.99)	0.91 (2.87)	5.29 (2.87)	26.19 (18.60)	53.70 (87.31)
Vehicles	1.72 (1.72)	-	-	-	1.72 (1.72)	0.64 (0.43)	0.21 (0.43)	-	-	0.85 (1.08)	0.87 (1.08)
Total	18,175.63 (18,148.63)	698.30 (411.00)	79.33 (41.93)	5,248.51 (41.93)	9,132.86 (18,175.63)	2,905.42 (1,342.43)	771.78 (1,342.43)	13.14 (12.87)	757.63 (1,342.43)	2,918.61 (12,887.10)	6,206.45 (17,229.47)

(1) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023).
(2) Properties, Plant and equipment are pledged as security - towards term loan by the Company

Note No. 4B Right of Use Assets

Particulars	As at April 01, 2023	Additions	Disposals	De recognised on disposal of Business (prior note 3B)	As at March 31, 2024	As at April 01, 2023	Depreciation expense for the year	Eliminated on disposal of assets	Eliminated on disposal of Business (prior note 3B)	As at March 31, 2024	Net carrying value As at March 31, 2024
Land	127.35 (34.80)	34.80 (127.35)	-	-	192.15 (127.35)	8.08 (127.35)	8.08 (127.35)	-	-	192.15 (127.35)	174.07 (127.35)
Building	186.71 (186.71)	-	-	321.75 (186.71)	606.06 (186.71)	131.25 (186.71)	131.25 (186.71)	-	-	606.06 (186.71)	419.35 (186.71)
Plant and Machinery	4.31 (4.31)	-	-	-	4.31 (4.31)	2.46 (1.60)	0.86 (1.60)	-	-	3.32 (1.60)	0.99 (1.60)
Total	318.37 (186.40)	34.80 (127.35)	-	321.75 (186.71)	802.52 (318.77)	161.59 (175.66)	161.59 (175.66)	-	81.73 (175.66)	795.38 (394.73)	400.65 (112.09)

(1) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

Note No. 4C Capital Work in Progress

Particulars	As at April 01, 2023	Additions	Disposals	De recognised on disposal of Business (prior note 3B)	As at March 31, 2024	As at March 31, 2023
Capital Work in Progress	127.35 (34.80)	34.80 (127.35)	-	-	192.15 (127.35)	174.07 (127.35)
Building	186.71 (186.71)	-	-	321.75 (186.71)	606.06 (186.71)	419.35 (186.71)
Plant and Machinery	4.31 (4.31)	-	-	-	4.31 (4.31)	0.99 (1.60)
Total	318.37 (186.40)	34.80 (127.35)	-	321.75 (186.71)	802.52 (318.77)	400.65 (112.09)

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is within the year ended the end, based on the recent approved plan



Note No. -4B Other Intangible Assets

Particulars	Gross carrying value			Accumulated amortisation			Rs. in Million	
	As at April 01, 2023	Additions	Depreciation	As at March 31, 2024	Eliminated on disposal of business (refer note 2B)	Amortisation expense for the year	As at March 31, 2024	Net carrying value
Software licenses	75.74	1.45	-	77.19	-	11.96	43.61	41.82
Marketing and manufacturing rights	(62.90)	(2.94)	-	(65.84)	-	(14.95)	(48.82)	(62.53)
	1,930.72	(1,900.72)	-	30.00	-	128.71	1,979.15	1,992.86
Total	2,003.56	(893.21)	-	1,110.35	-	(2.24)	1,108.11	1,544.08
During the year	(62.90)	(2.94)	-	(65.84)	-	(14.95)	(48.82)	(62.53)

(1) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023).

(2) Marketing and manufacturing rights has a remaining amortisation period of 164 months as at March 31, 2024 (March 31, 2023: 176 months)

Note No. -4E Intangible assets under development

Particulars	Rs. in Million	
	As at March 31, 2023	As at March 31, 2024
Intangible assets under development	1,452.90	1,412.38
Total	1,452.90	1,412.38

Intangible assets under development	Amount for a period of			As at March 31, 2024
	Less than 1 year	1-2 years	More than 2-3 years	
Projects in progress	5.09	70.09	27.95	4.23
Projects temporarily suspended	15.41	1,06.71	2,06.15	1,344.64
Total	20.50	176.80	2,34.10	1,415.08

Intangible assets under development completion is by date when completion is achieved as at March 31, 2024

Intangible assets under development	To be completed in		Total
	Less than 1 year	1-2 years	
Project 1	-	1,111.64	1,111.64
Total	-	1,111.64	1,111.64

Intangible assets under development	Amount in Intangible assets under development for a period of			As at March 31, 2023
	Less than 1 year	1-2 years	More than 2-3 years	
Projects in progress	187.70	234.10	239.09	1,432.38
Projects temporarily suspended	187.70	324.10	379.09	1,432.38
Total	375.40	558.20	618.18	1,432.38

As on the date of the balance sheet, there are no intangible assets under development projects whose completion is overdue or has exceeded the cost other than disclosed above, based on approved plan

Note No. 4F - Annual Impairment assessment (CDDMO - business and intangible assets under development)

The Management of the Company have performed annual impairment assessment of the carrying value of the assets of the Cash Generating Unit (CGU) (which included the CDDMO business and intangible assets under development) amounting to Rs. 10,655 million as at December 31, 2023 (December 31, 2022: Rs. 10,342 million). The "value in use" of the CGU has been determined by the external valuation experts using discounted cash flow approach. Based on such valuation, the Company has assessed that there is no impairment.

Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but are not limited to

- obtaining adequate financing to fulfil the Company's development and commercial activities,
- the risks associated with development and obtaining regulatory approvals of the Company's products,
- generation of revenues in due course from the product portfolio and contract manufacturing,
- attainment of profitable operations,
- agreeing with the appropriate partner for the developments of product portfolio,
- meeting or capturing the estimated market share for the product portfolios and
- discount factors

The expected cash flows used in computation of value in use are based on the probabilities applied to the revenues which also factors management's best estimate of possible delay in product development cycle and regulatory approvals and are discounted using a post tax discount rate of 18.5% (December 31, 2022: 22.5%). The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long-term growth rate of 5% (March 31, 2023: 5%) p.a. which is consistent with the industry forecasts for the biopharmaceutical market.

Further, the percentage movement in key assumptions that (individually) would be required to reach the point at which the value in use approximates its carrying value is given below:

- increase in discount rate by 16.88% (December 31, 2022: 15.37%)
- increase in discount rate by 16.08% and nil terminal growth rate (December 31, 2022: 13.36%)

Following the annual impairment assessment, the management re-evaluated its estimates and assumptions used in impairment assessment based on its review of current indicators of future economic conditions. Based on such assessment, the management concluded that no significant increased estimates and assumptions were necessary and the Company expects to recover carrying values of such assets as at March 31, 2024.



5 Investments

Particulars	As at March 31, 2024			As at March 31, 2023		
	Qty	Amount		Qty	Amount	
		Current	Non-Current		Current	Non-Current
Investment carried at cost:						
Investments in subsidiaries (carried at cost less provision for impairment)						
Equity shares, unquoted						
Biolexus Pte Ltd, Singapore*				45,90,001		516.59
(formerly known as Stello Pte Ltd)				10,000		0.10
Biolexus Private Limited	50,00,000		50.00			(516.59)
Less: Provision for impairment*			(48.82)			
Redeemable Preference shares, unquoted						
Biolexus Pte Ltd (Redeemable Preference shares of USD 1 each fully paid up)*				50,000		3.72
Less: Provision for impairment*						(3.72)
OCB (Optionally Convertible Debentures)*						
Biolexus Private Limited			333.00			
Less: Provision for impairment**			(333.00)			
Total [A]		50,00,000	1.18	46,50,001		0.19
Other Investments (carried at fair value through profit and loss)						
Equity shares, unquoted						
AMP Energy C&I Private Limited #	3,79,100		3.79			
Compulsory Convertible Debentures						
AMP Energy C&I Private Limited #	34,819		34.12			
Total [B]		4,13,219	37.91			
Investments carried at fair value:						
Mutual Funds, quoted						
SBI Overnight Fund Direct Growth ^{§§}				12,333	45.00	
SBI Magnum Ultra Short Duration Fund Direct Growth ^{§§}	28,495	157.92				
Total [C]		28,495	157.92		45.00	
Total [A+B+C]		54,41,714	157.92	46,52,334	45.00	0.19
Aggregate amount of quoted investments		28,495	157.92		45.00	
Aggregate amount of market value of investments		28,495	157.92		45.00	
Aggregate amount of unquoted investments	54,13,219		39.09	46,50,001		0.10
Aggregate amount of impairment in value of investments			381.82			520.31

* During the previous year, based on the impairment assessment carried out by the management of the Company, the investments in Biolexus Pte Ltd, Singapore amounting to Rs. 520.31 million was impaired during the previous year and disclosed as exceptional items in the Statement of profit and loss.

On August 30, 2023, the Company has transferred its investment in Biolexus Pte Ltd (Subsidiary of the Company) to Biolexus Private Limited (Subsidiary of the Company) for a consideration of Rs. 381.82 million. Pursuant to this change in the corporate structure, the Company has reversed the provision for investments in Biolexus Pte Ltd and disclosed under exceptional items in the Statement of profit and loss.

** During the year, the Company has invested Rs. 333 million into OCB and Rs. 49.90 million into equity shares in Biolexus Private Limited. Based on the impairment assessment carried out by the management, the investments in Biolexus Private Limited amounting to Rs. 381.82 million are impaired and disclosed as exceptional items in the Statement of profit and loss.

The OCBs will be convertible into equity shares of the subsidiary company at the sole option of the Company, at any point of time during the tenure, through issuance of a written notice to the subsidiary company requiring to convert all or any of its OCBs into Equity shares.

§ During the current year, the Company has invested an amount of Rs. 37.91 million in AMP Energy C&I Private Limited pursuant to Power Purchase Agreement and Securities Subscription and Shareholders Agreement dated September 27, 2023. The Company's investment represents 10.13% ownership on fully diluted basis of the AMP Energy C&I Private Limited and the investment is in accordance with Electricity Act 2003 which stipulates consumer partners to have atleast 26% ownership in the electricity generating entity together with the other consumer partners. The Company's ownership is purely to meet the regulatory requirement and hence the Company has not consolidated the share of profit or loss of AMP Energy C&I Private Limited for the financial year March 31, 2024.

§§ Investment in liquid mutual funds is considered as cash and cash equivalents as per Ind AS 7 Cash flow statement.

6 Financial asset - Security Deposits

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount		Amount	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
- Security deposits*		41.11		100.30
Total		41.11		100.30

* Includes security deposit given to related parties (refer note 92)

7 Other assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount		Amount	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
- Capital advances		185.52		112.85
- Balances with government authorities				12.74
- VAT/CST refund receivable		543.75		594.15
- GST credit & other receivable	137.33		25.29	
- TDS receivable	115.06		33.13	
- Advances to vendors	4.33		1.75	
- Advances to employees	30.65	7.90	10.36	24.21
- Prepaid expenses				
Unsecured, considered doubtful:				
- Advances to vendors	(44.01)		(44.01)	
- Less: Allowance for doubtful advances	(144.01)		(144.01)	
- Recoverable from related parties		45.14		
- Less: Provision for loss allowance		(45.14)		
Total	287.37	735.26	20.41	743.95



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

8 Inventories

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Raw materials	726.81	751.77
Consumables	556.97	658.00
Less: Provision for inventory obsolescence	(1171.47)	(58.20)
Total	112.31	1,331.57

Inventories procured to manufacture Sputnik Light Vaccine

The Company and the Russian Direct Investment Fund (RDIF, Russia's sovereign wealth fund) had entered into a manufacturing and supply agreement to produce Russian Sputnik Vaccines during FY 2020-21. The agreement between RDIF and the Company was reached under the aegis of Eisai Healthcare LLP, RDIF's coordination partner for sourcing Sputnik vaccines in India. The above tactical opportunity with Sputnik Light's take or pay contract with RDIF did not fructify due to geopolitical conflicts between Russia and Ukraine and subsequent sanctions on Russia.

During the current year, the Company has made provision for raw materials and packing materials procured to manufacture Sputnik Light vaccines (including GST inputs credit on such inventories) of Rs. 1,159.21 million in the absence of any immediate alternate usage for these inventories.

9A Trade receivables

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Trade receivables (unsecured)				
Considered good*	554.05	-	37.37	-
Considered doubtful	95.59	-	140.78	-
	649.64	-	178.15	-
Provision for loss allowance	(95.59)	-	(140.78)	-
Total	554.05	-	37.37	-

*Includes receivables from related parties (refer note 32)

Movement in provision for loss allowance is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	140.78	-
Allowance for doubtful debts	-	147.56
Reversal of provision for doubtful debts	(45.19)	-
Written off during the year	-	(15.78)
Closing Balance	95.59	140.78

Particulars	Not Due	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	403.92	77.91	59.53	6.38	6.18	0.03	554.05
(ii) Undisputed Trade Receivables - considered doubtful	-	-	0.12	0.05	95.21	0.21	95.59
	403.92	77.91	59.65	6.53	101.39	0.24	649.64

Particulars	Not Due	Outstanding for following periods from due date of payment					As at March 31, 2023
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	22.87	14.00	0.18	0.19	-	0.03	37.37
(ii) Undisputed Trade Receivables - considered doubtful	-	0.12	-	140.66	-	-	140.78
	22.87	14.12	0.18	140.85	-	0.03	178.15

9B Other financial assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
- Receivable towards sale of multimodal facility (refer note 39)				
Considered good	50.00	-	-	-
Considered doubtful	50.00	-	-	-
Provision for doubtful debts	(50.00)	-	-	-
Total	50.00	-	-	-

10A Cash and cash equivalents

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.05	0.69
Balance with banks		
- in current accounts	63.95	48.44
Total	63.98	49.18
The balances that meet the definition of cash and cash equivalents as per IndAS 7 Cash flow statement is (including liquid mutual funds of Rs. 157.92 million / As at March 31, 2023: Rs. 45 million)		
	221.90	94.10

10B Other balances with banks

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Balance held as margin money		
- against buy/sellway facilities with banks	538.56	748.53
Total	538.56	748.53



12 Non-current borrowings

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Secured:		
- Term loan from banks (refer note 1 below)	821.04	2,848.75
Un-secured:		
- Non convertible debentures (refer note 1 below)	2,099.70	500.00
- Loans from related parties (refer note 32)	495.18	-
Total	3,415.92	3,348.75
Current maturities of non-current borrowings including working capital loans	2,960.38	2,018.18
Total	5,614.30	5,366.93

Note 1

Details of security and terms of repayment of non-current borrowings

Terms of repayment and security - Loan 1	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	434.60
Current maturities of non-current borrowings	-	288.77
Security: The said loan is secured by first pari passu charge of immovable and moveable assets of the Company including current assets and pledge of 30% shares in the Company held by Strides Pharma Science Limited Rate of interest: 3 month LIBOR + 365 bps per annum Repayment to be made over 28 equal quarterly installments. The Company has prepaid the outstanding balance during the year (March 31, 2023: 10 installments) Strides Pharma Science Limited has provided corporate guarantee for the said loan		
Terms of repayment and security - Loan 2	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	194.49
Current maturities of non-current borrowings	194.49	110.21
Security: The said loan is secured by first pari passu charge of immovable and moveable assets of the Company including current assets and pledge of 30% shares in the Company held by Strides Pharma Science Limited Rate of interest: 1 Base rate 9.33% + spread of 0.8% which is reset by lender at the end of every 12 months Repayment to be made over 28 equal quarterly installments. The outstanding term as at March 31, 2024 are 7 installments (March 31, 2023: 11 installments) Strides Pharma Science Limited has provided corporate guarantee for the said loan.		
Terms of repayment and security - Loan 3	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	878.97
Current maturities of non-current borrowings	878.89	380.60
Security: The said loan is secured by first pari passu charge of moveable and immovable assets of the Company including current assets Rate of interest: 9.55% linked to 3M JIBL MCLR. MCLR to be reset on annual basis Repayment to be made over 28 equal quarterly installments. The outstanding term as at March 31, 2024 are 9 installments (March 31, 2023: 13 installments) The loan is supported by corporate guarantee of Strides Pharma Science Limited		
Terms of repayment and security - Loan 4	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	-	512.73
Security: The said loan was secured by first pari passu charge of moveable and immovable assets of the Company Rate of interest: 7.30% and Spread 1%. Spread will be reset by lender at the end of every year Repayment to be made over 16 equal monthly installments. The Company has repaid the outstanding balance during the year (March 31, 2023: 3 installments) The loan is supported by corporate guarantee of Strides Pharma Science Limited		
Terms of repayment and security - Loan 5	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	25.21	32.71
Current maturities of non-current borrowings	27.50	27.50
Security: The said loan was secured by first pari passu charge of moveable and immovable assets of the Company Rate of interest: 1-MCLR+1% (marginal cost of fund based lending rate) plus Spread 1%. Spread will be reset by Bank at the end of every year Repayment to be made over 48 equal monthly installments. The outstanding term as at March 31, 2024 are 23 installments (March 31, 2023: 35 installments) The loan is supported by National Credit Guarantee Trustee Company		
Terms of repayment and security - Loan 6	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	409.52
Current maturities of non-current borrowings	409.50	270.40
Security: The said loan was secured by first pari passu charge of moveable and immovable assets of the Company Rate of interest: 8.75% and the interest will be reset by the lender on annual basis Repayment to be made over 16 equal quarterly installments. The outstanding term as at March 31, 2024 are 6 installments (March 31, 2023: 10 installments) The loan is supported by corporate guarantee of Strides Pharma Science Limited		



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Terms of repayment and security - Loan 7	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	546.84
Current maturities of non-current borrowings	-	1,374.78
<p>Security: The said loan was secured by first part passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 7.51% and 11.55% above 1M MCLR</p> <p>Repayment to be made over 24 equal monthly instalments. The Company has prepaid the outstanding balance during the year (March 31, 2023: 17 instalments)</p> <p>The loan is supported by corporate guarantee of Strides Pharma Science Limited</p>		
Terms of repayment and security - Loan 8	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	181.79
Current maturities of non-current borrowings	-	63.70
<p>Security: The said loan was secured by first part passu charge of movable and immovable assets of the Company and pledge of 30% shares in the Company held by Strides Pharma Science Limited</p> <p>Rate of interest: Long term minimum lending rate plus 30 basis points per annum subject to a cap of 9.25%</p> <p>Repayment to be made over 48 equal monthly instalments. The Company has prepaid the outstanding balance during the year. (March 31, 2023: 47 instalments)</p>		
Terms of repayment and security - Loan 9	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	93.83	145.83
Current maturities of non-current borrowings	50.00	50.00
<p>Security: The said loan was secured by first part passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 7.25% and Spread 1% and the interest rate and spread will be reset by Bank at the end of every year</p> <p>Repayment to be made over 48 equal monthly instalments. The outstanding term as at March 31, 2024 are 35 instalments. (March 31, 2023: 47 instalments)</p>		
Terms of repayment and security - Non-convertible debentures (NCD) 1	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	500.00	500.00
Current maturities of non-current borrowings	-	-
<p>Security: Debentures are unsecured in nature and are backed by the personal guarantee of Mr. Arun Kumar Pillai</p> <p>Rate of interest: 2.5% p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 7% p.a inclusive of coupon payments made</p> <p>Repayment on 40th month from the date of allotment (i.e. July 03, 2023)</p>		
Terms of repayment and security - Non-convertible debentures (NCD) 2	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	67.50	-
Current maturities of non-current borrowings	-	-
<p>Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai</p> <p>Rate of interest: 4 % p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 13% p.a inclusive of coupon payments made</p> <p>Repayment on 36th month from the date of allotment (i.e. November 29, 2023)</p>		
Terms of repayment and security - Non-convertible debentures (NCD) 3	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	83.00	-
Current maturities of non-current borrowings	-	-
<p>Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai</p> <p>Rate of interest: 4 % p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 13% p.a inclusive of coupon payments made</p> <p>Repayment on 36th month from the date of allotment (i.e. December 01, 2023)</p>		
Terms of repayment and security - Non-convertible debentures (NCD) 4	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
<p>Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai and corporate guarantee of Strides Pharma Science Limited</p> <p>Rate of interest: 17% p.a with a maturity premium payable at the last date of twelve months commencing from date of allotment of the NCDs</p> <p>Repayment on 12th month from the date of allotment (i.e. July 11, 2023)</p>		
Terms of repayment and security - Non-convertible debentures (NCD) 5	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
<p>Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited</p> <p>Rate of interest: 17% p.a with a maturity premium payable at the last date of twelve months commencing from date of allotment of the NCDs</p> <p>Repayment on 12th month from the date of allotment (i.e. July 13, 2023)</p>		



Onesource Specialty Pharma Limited (formerly known as Siella Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Terms of repayment and security - Non-convertible debentures (NCD) 6	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited.		
Rate of interest: 17% per annum payable at the last date of twelve months commencing from date of allotment of the NCDs.		
Repayment on 12th month from the date of allotment (i.e. July 13, 2023)		
Terms of repayment and security - Non-convertible debentures (NCD) 7	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	500.00	-
Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited.		
Rate of interest: 18% p.a. Interest payable last day of each quarterly period.		
Repayment on 12th month from the date of allotment (i.e. May 31, 2023)		
Terms of repayment and security - Non-convertible debentures (NCD) 8	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	1,449.20	-
Current maturities of non-current borrowings	-	-
Security: Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited.		
Rate of interest: 12.50% p.a. Interest payable last day of every month.		
Repayment of 50% of the outstanding amount on 24th month and remaining amount on 32nd month from the date of allotment (i.e. March 1, 2024)		
Loan from Related Party 1	As at March 31, 2024	As at March 31, 2023
Loan from Related Party	90.00	955.00
Security: The loan from related party is unsecured in nature.		
Rate of interest: 16.75% p.a.		
Repayment: Repayable within 6 months from the date of first drawn and at any time prior to the full repayment, the Lender may at its sole option and discretion request the Borrower to convert all of the outstanding Loan Amount into non-convertible debentures ("NCD") and the tenure of the NCD is 6 months from the subscription date.		
Loan from Related Party 2	As at March 31, 2024	As at March 31, 2023
Loan from Related Party	495.18	-
Security: The loan from related party is unsecured in nature.		
Rate of interest: 15.40% p.a.		
Repayment: Repayable in full and shall be repaid on or before completion of 3 years from the date of first draw down (i.e. June 28, 2023) on such other date as may be mutually agreed by the parties.		
Working capital loan	As at March 31, 2024	As at March 31, 2023
Working capital loan - repaid in full during the year	-	100.10
Total Borrowings	5,614.38	8,366.91
Rs. in Millions		
Note - i)	As at March 31, 2024	As at March 31, 2023
Particulars		
Disclosed under non-current borrowings		
-Term loan from Banks	121.04	2,848.75
-Non-convertible debentures	2,099.70	500.00
-Loan from related parties	495.18	-
Disclosed under current borrowings		
-Current maturities of non-current borrowings	1,560.38	3,079.20
-Non convertible debentures	1,250.00	-
-Working capital loan	-	983.96
-Loan from related parties	90.00	955.00
Total	5,614.38	8,366.91

The Company has requested temporary relaxations for compliance with the financial covenants from the lenders for the years ended March 31, 2024 as these have not been met related to the above mentioned Loan 2, Loan 3 and Loan 6. Pending approval from lenders, the Company has classified the entire outstanding amount as current borrowings as loan agreement provides for call back if financial covenants are breached.



Onesource Specialty Pharma Limited (formerly known as Stells Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

13 Lease liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	Rs. in Million		Rs. in Million	
Lease liabilities (refer note 31)	6.87	83.22	64.14	211.15
Total	6.87	83.22	64.14	211.15

14 Provisions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	Rs. in Million		Rs. in Million	
Provision for employee benefits:				
- Gratuity (refer note 29)	4.44	23.96	2.61	21.50
- Compensated absences	18.54	-	33.22	-
Total	42.98	23.96	35.83	21.50

15 Current Borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Current	Current	Current
	Rs. in Million		Rs. in Million	
Term loan from Banks				
- Current maturities of non-current borrowings (refer note 12)	1,569.38	3,079.20		
- Working capital loans	1,250.00	983.96		
- Non convertible debentures	-	-		
Term loan from Others	90.00	955.00		
- Loans from related parties (Refer Note 32)	2,909.38	5,018.16		
Total	2,909.38	5,018.16		

16 Trade payables

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	Rs. in Million		Rs. in Million	
- Total outstanding dues of micro and small enterprises	144.46	-	170.99	-
- Total outstanding dues of creditors other than micro and small enterprises	664.93	-	777.03	-
Total	809.39	-	948.02	-

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			Rs. in Million				
(a) MSME	-	7.29	101.54	26.04	9.59	-	144.46
(b) Others	127.71	61.52	186.34	96.86	132.22	60.28	664.93
	127.71	68.81	287.88	122.90	141.81	60.28	809.39

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				As at March 31, 2023
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			Rs. in Million				
(a) MSME	-	8.57	143.30	19.12	-	-	170.99
(b) Others	181.55	36.02	469.81	68.95	0.07	0.63	777.03
	181.55	44.59	613.11	88.07	0.07	0.63	948.02

Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Principal amount remaining unpaid to any suppliers as at the end of the accounting year*	274.98	420.99
(b) Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	12.53	42.02
(c) The amount of interest paid along with due amounts of the payment made to the suppliers beyond the appointed day	-	-
(d) 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	23.12	13.47
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	95.74	60.09
(f) The amount of further interest due and payable over in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-

*Principal amount remaining unpaid to suppliers include Rs. 130.52 million (as at March 31, 2023) Rs. 250 million towards capital creditors.

17 Other financial liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Current	Current	Current
	Rs. in Million		Rs. in Million	
- Interest accrued but not due on borrowings	184.29	28.07		
- Interest accrued on delayed payments to MSME vendors	95.74	60.09		
- Creditors for capital supplies/services*	631.72	1,677.13		
- Deposits from Customers	187.64	-		
- Payable to related parties (refer note 32)	534.50	185.15		
Total	1,533.89	1,950.44		

*Creditors for capital supplies/services include Rs. 130.52 million (as at March 31, 2023) Rs. 250 million payable towards to MSME vendors.

18 Other liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Current	Current	Current
	Rs. in Million		Rs. in Million	
- Advance from customers	864.60	541.76		
- Statutory dues	47.57	17.95		
- Grant from Healthcare Industry Research Assistance Council	59.55	59.55		
Total	971.72	619.26		



Onesource Specialty Pharma Limited (formerly known as Stetis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

11A Equity Share Capital

Rs. in Millions		
Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
50,000,000 Equity shares of Rs 1/- each with voting rights	50.00	50.00
(50,000,000 Equity shares of Rs 1/- each with voting rights as on March 31, 2023)		
Issued, subscribed and fully paid up		
40,023,816 Fully paid equity share of Rs 1/-	40.02	40.02
(40,023,816 Equity shares of Rs 1/- each with voting rights as on March 31, 2023)		
Issued, subscribed and partly paid up		
1,522,694 Partly paid equity share of Rs 0.05/-	0.08	0.08
(1,522,694 Partly paid equity share of Rs 0.05/- as on March 31, 2023)		
Total	40.10	40.10

(i) Reconciliation of the number of shares and amount outstanding

Particulars	Opening Balance	Issue of shares during the year	Closing Balance
Equity shares of Rs 1/- each with voting rights, fully paid			
Year ended March 31, 2024			
No. of Shares	4,00,23,816	-	4,00,23,816
Amount Rs in Millions	40.02	-	40.02
Partly paid equity shares of Rs 0.05/- each			
Year ended March 31, 2024			
No. of Shares	15,22,694	-	15,22,694
Amount Rs in Millions	0.08	-	0.08
Equity shares of Rs 1/- each with voting rights, fully paid			
Year ended March 31, 2023			
No. of Shares	2,98,96,810	1,01,27,006	4,00,23,816
Amount Rs in Millions	29.90	10.12	40.02
Partly paid equity shares of Rs 0.05/- each			
Year ended March 31, 2023			
No. of Shares	91,99,470	(76,76,776)	15,22,694
Amount Rs in Millions	0.46	(0.38)	0.08

The Company has only once class of equity shares having a par value of Rs 1/- each. The holder of equity shares is entitled to one vote per share.

(ii) Shares held by promoters at the end of the year:

Name of shareholder	No. of shares at the beginning of the year			Change during the year	As at March 31, 2024				% Change during the year
	Fully paid Equity Shares	Partly paid equity shares	Number of shares		Fully paid Equity Shares	Partly paid equity shares	Number of shares	%	
Tensha Pharmaceuticals Private Limited	44,50,021	15,22,694	59,72,715	-	44,50,021	15,22,694	59,72,715	14.38%	0.00%
Karuna Business Solutions LLP	66,13,370	-	66,13,370	-	66,13,370	-	66,13,370	15.92%	0.00%

Name of shareholder	No. of shares at the beginning of the year			Change during the year	As at March 31, 2023				% Change during the year
	Fully paid Equity Shares	Partly paid equity shares	Number of shares		Fully paid Equity Shares	Partly paid equity shares	Number of shares	%	
Tensha Pharmaceuticals Private Limited	40,11,400	19,71,315	59,72,715	-	44,50,021	15,22,694	59,72,715	14.38%	14.59%
Karuna Business Solutions LLP	-	53,88,255	53,88,255	12,25,115	66,13,370	-	66,13,370	15.92%	13.78%

(iii) Details of equity shares held by each shareholder holding more than 5% of shares:

Name of shareholder	As at March 31, 2024		As at Mar 31, 2023	
	Number of shares	%	Number of shares	%
Stetis Pharma Socrate Limited	1,10,89,320	26.69%	1,10,89,320	26.69%
Tensha Pharmaceuticals Private Limited	59,72,715	14.38%	59,72,715	14.38%
Karuna Business Solutions LLP	66,13,370	15.92%	66,13,370	15.92%
Mohalla Holdings Pte Ltd	64,11,305	15.43%	64,11,305	15.43%
Route One Fund 1, L.P	26,87,200	6.47%	26,87,200	6.47%
TIME Holdings	25,16,700	6.06%	25,16,700	6.06%



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

11B Other equity

Particulars	Note no.	As at March 31, 2024	As at Mar 31, 2023
Reserves and Surplus	A	3,937.33	7,827.04
Total		3,937.33	7,827.04

Particulars	As at March 31, 2024	As at Mar 31, 2023
(A) Reserves and surplus		
(i) Security premium account		
Opening balance	22,039.62	16,401.78
Add: Premium on equity shares issued during the year	-	5,637.84
Closing balance	22,039.62	22,039.62
(ii) Retained earnings		
Opening balance	(14,272.17)	(6,285.80)
Add: Profit/(Loss) for the year	(3,649.34)	(4,295.54)
Add: Loss from discontinuing Operations for the year	(254.68)	(3,695.58)
Add: Remeasurements of post employment benefit obligations - Recognised as other comprehensive income	(5.25)	4.75
Closing balance	(18,181.44)	(14,272.17)
(iii) Share based payment reserve		
Opening balance	59.59	-
Add: Charge for the year	19.56	59.59
Less: Transfer to securities premium on account of exercise	-	-
Closing balance	79.15	59.59
Total Reserves and Surplus (A)	3,937.33	7,827.04

Nature and purpose of reserves

(a) **Securities Premium** : Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(b) **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

(c) **Share based payment reserve**: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note 12A:

Reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities are given below:

Particulars	As at April 01, 2023	Cash changes	Non-cash changes	As at March 31, 2024
Current and Non-current borrowings	8,366.91	(2,750.75)	0.14	5,616.30
Interest accrued	88.16	(1,025.83)	1,137.70	200.03
Lease liabilities	275.29	(65.63)	119.57	90.09
Total	8,730.36	(3,642.11)	1,147.27	5,906.42

Particulars	As at April 01, 2022	Cash changes	Non-cash changes	As at March 31, 2023
Current and Non-current borrowings	11,542.71	(3,326.39)	150.59	8,366.91
Interest accrued	32.20	(1,052.91)	1,108.87	88.16
Lease liabilities	272.20	(85.10)	88.19	275.29
Total	11,847.11	(4,464.40)	1,347.65	8,730.36



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note
No.

19 Revenue from operations

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
Sale of services - contract manufacturing and development fees	1,719.19	387.14
Total	1,719.19	387.14

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers

Revenues by Geography

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
India	1,183.16	266.11
Rest of the world	536.03	121.03
Total revenues by Geography	1,719.19	387.14

Geographical revenue is allocated based on the location of the customers

19.2 Contract balances

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables*	554.05	37.37
Contract liabilities**	864.60	541.76

* Trade receivables are non-interest bearing

** Contract liabilities are shown as advance from customers (refer note 18)

19.3 Set out below is the amount of revenue recognised from:

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
Amount included in contract liabilities at the beginning of the year	178.43	46.40

20 Other income

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on financial assets at amortised cost	17.65	12.60
Interest Income on Tax Refund	-	2.07
Unwinding of discount on security deposit	1.52	1.12
Scrap sales	15.51	0.89
Profit on sale of investments	7.57	1.15
Gain on sale of property, plant and equipment	-	9.03
Interest income on loan to subsidiaries	-	0.12
Sundry Creditors written off	-	0.06
Total	42.25	27.04

21 Consumables

Particulars	Rs. in Million	
	Year ended March 31, 2024	Year ended March 31, 2023
Opening stock	1,331.57	1,579.08
Add: Purchases	598.90	511.66
Less: Closing stock	112.31	1,331.57
Total	1,818.16	759.17
Less: Disclosed under discontinued operations	-	(543.66)
Less: Inventories written-off/provision disclosed as exceptional items (refer note 26)	(1,113.07)	-
Cost of materials consumed	705.09	215.51



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note
No.

22 Employee benefit expenses

Rs. in Million

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Salaries and wages	686.79	740.99
Less : Amount included in the cost of qualifying assets	(5.17)	(176.82)
	681.62	564.17
Contributions to provident and other funds	44.23	33.60
Staff welfare expenses	48.20	70.65
Share based payment expenses (refer note 38)	19.56	59.59
Total	793.61	728.01

23 Finance costs

Rs. in Million

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Interest on borrowings (including exchange differences regarded as an adjustment to borrowing costs)	643.13	398.29
Less : Amount included in the cost of qualifying assets	(6.60)	(30.35)
	636.53	367.94
Interest expense on loan from related party	172.64	2.91
Interest on lease liability	8.93	6.45
Other borrowing cost - guarantee commission, bank charges etc	40.41	74.39
Interest on delayed payment to MSME vendors	35.65	23.76
Total	894.16	475.45

24 Depreciation and amortisation expenses

Rs. in Million

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Depreciation on Property, plant and equipment (Refer Note 4A)	771.28	1,025.22
Depreciation on Right to use assets (Refer Note 4B)	41.83	73.98
Amortisation on Intangible assets (Refer Note 4D)	140.67	41.81
Amount charged to Statement of profit and loss	953.78	1,141.01
under continuing operations	762.93	656.80
under discontinued operations	190.85	484.21



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note No.

25 Other Expenses

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Power & Fuel	201.30	200.85
Rates and taxes	90.78	8.78
Rent	26.85	10.84
Insurance	44.88	52.22
Repairs and maintenance:		
- Machinery	50.47	37.36
- Others	96.47	94.96
Manpower service	26.02	35.57
Housekeeping service	42.86	48.39
Freight and forwarding	3.98	82.89
Business promotion	5.04	10.44
Travelling and conveyance	9.09	11.52
Exchange fluctuation loss (net)	5.61	91.63
Printing and stationery	6.38	6.52
Communication	8.30	7.84
Security Charges	10.63	10.99
Office expense	1.02	2.09
Write-off of Property, Plant and Equipment	-	7.11
Loss on sale of asset	58.08	-
Boarding and lodging	2.38	8.73
Support service charges	229.63	127.94
Legal and professional fees	152.03	168.18
Auditors remuneration (refer note (i) below)	12.36	4.03
Regulatory charges	2.55	3.24
Gardening Charges	-	0.11
Water Charges	2.94	4.61
Gas Charges	1.30	-
Advance written off	0.73	5.26
Miscellaneous expenses	3.97	7.72
Total	1,095.65	1,049.82

Note

(i) Auditor's remuneration comprises (net of taxes) for:

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Audit of standalone and consolidated financial statements (including quarterly limited reviews)	3.75	3.75
Audit / review of special purpose financial information	4.75	-
Other certification services	3.50	0.12
Reimbursement of expenses	0.36	0.16
Total	12.36	4.03



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note No.

26 Exceptional items gain / (loss) (net)

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Provision related to Inventories (including GST inputs credits thereon) (refer note (i) below)	1,159.42	-
Write-off related to Inventories and other related balances of Akston Project (refer note (ii) below)	-	491.05
Intangibles under development written-off (refer note (iii) below)	-	431.99
Provision for impairment towards investment in Biolexis Private Limited (refer note 5)	381.82	-
Provision/ (reversal of provision) for bad & doubtful debts in Biolexis Pte Ltd (refer note (iv) below)	(45.23)	140.78
Provision/ (reversal of provision) for bad & doubtful debts in Biolexis Private Ltd (refer note (iv) below)	45.15	-
Provision / (reversal of provision) towards investment in Biolexis Pte Ltd (refer note 5)	(381.82)	520.31
Total	1,159.34	1,584.13

Note (i) :

The Company and the Russian Direct Investment Fund (RDIF, Russia's sovereign wealth fund) had entered into a manufacturing and supply agreement to produce Russian Sputnik Vaccines during FY 2020-21. The agreement between RDIF and the Company was reached under the aegis of Enso Healthcare LLP, RDIF's coordination partner for sourcing Sputnik vaccines in India. The above tactical opportunity with Sputnik Light's take or pay contract with RDIF did not fructify due to geopolitical conflicts between Russia and Ukraine and subsequent sanctions on Russia.

During the current year, the Company has accounted for provision towards inventories (including GST inputs credit of Rs. 46.14 million on such inventories) of Rs. 1,159.21 million in the absence of any immediate alternate usage for these inventories.

Note (ii):

The Company and Akston Biosciences Corporation entered into the License and Manufacturing Agreement dated October 20, 2021 to develop AKS-452 vaccine. During the previous year, the Company and Akston Bioscience Corporation entered into termination agreement whereby all the licenses granted to the Company are revoked and the Company does not have the right or obligation to commercialize the licensed product. Pursuant to such termination, the Company debited exceptional items of Rs. 491.05 million towards following:

- Write off of Intangibles under development relating to Akston amounting to Rs 200.59 million
- Write off Akston inventories amounting to Rs. 146.48 million and
- Allowance for doubtful advances given to Akston Bioscience Corporation Rs. 143.98 million

Note (iii):

Pursuant to impairment assessment, intangibles under development was written off amounting to Rs. 431.99 million towards various products as exceptional items for the year ended 31 March 2023.

Note (iv):

During the previous year, the Management had made a provision for expected credit loss towards receivables from subsidiary amounting to Rs 140.78 million. During the current year, the Company reversed the provision towards collection of Rs 45.23 mio (refer note 9A).

- 27** The Company's Contract Development and Manufacturing (CDMO) unit is set up as Export Oriented Unit (EOU) under Foreign Trade Policy 2015-20. Pursuant to this, the CDMO unit is required to be positive cumulative net foreign exchange earner within a period of five years from the commencement of production (i.e., within September 03, 2024). The management of the Company is confident of achieving the positive cumulative net foreign exchange position within the prescribed timelines



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note
No

28 Contingent Liabilities and Capital Commitments (To the extent not provided for)

Rs. in Million		
Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and provided for (net of advances):		
Property, Plant and equipment	186.63	490.06
Total	186.63	490.06

Rs. in Million		
Particulars	As at March 31, 2024	As at March 31, 2023
Claims not acknowledged as debts by the Company	-	233.14
Total	-	233.14

(a) During the previous year, the Company had received claim from vendor amounting to Rs. 227.62 million towards pending take off of Sputnik related inventories by the Company. During the current year, pursuant to the settlement agreement dated March 11, 2024, the parties have agreed for Rs. 110 million and the same is paid by the Company.

(b) During the previous year, the Company had received claim from vendor amounting to Rs. 30.75 million towards pending payments against the purchase of materials from the vendor. The Company had accepted the claim to extent of Rs. 25.23 million and the remaining amount of Rs. 5.52 million was not acknowledged as debt by the company. During the year, the said vendor has agreed the claim amount for Rs. 25.23 million and the same is paid by the Company.

29 Employee Benefits Plans

Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. During the current year, the Company recognised Rs. 36.49 million (previous year: Rs. 30.56 Million) (including discontinued operations) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

The Company operates a gratuity plan, a defined employee benefit scheme covering qualifying employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
Discount rate(s)	7.17%	7.30%
Expected rate(s) of salary increase	10.00%	10.00%
Mortality Rate	As per IALM (2012-14) ultimate	As per IALM (2012-14) ultimate
Retirement age (years)	58 years	58 years

Amounts recognised in Statement of Profit and loss and in other comprehensive income in respect of this defined benefit plans are as follows:

Rs. in Million		
Particulars	As at March 31, 2024	As at March 31, 2023
Service cost:		
Current service cost	7.53	8.83
Net interest expense	1.66	1.41
Components of defined benefit costs recognised in statement of profit and loss	9.19	10.24
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.20	(1.12)
Actuarial (gains) / losses arising from experience adjustments	5.05	(3.63)
Components of defined benefit costs recognised in other comprehensive income	5.25	(4.75)
Total	14.44	5.49

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The above amounts are of including the discontinued operations.



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The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	33.40	24.11
Fair value of plan assets	(5.00)	-
Funded status	28.40	24.11
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	28.40	24.11
Current liability	4.44	2.61
Non-current liability	23.96	21.50

Movements in the fair value of plan assets:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	-	-
Remeasurement (gains)/losses	-	-
Remeasurement return on plan assets (excluding amounts included in net interest expense)	-	-
Contribution from employer	5.00	-
Actuarial (gains) / losses on plan assets	-	-
Benefits paid	-	-
Closing fair value of plan assets	5.00	-

Movements in the present value of the defined benefit obligation are as follows:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	24.11	22.95
Expenses Recognised in statement of profit and loss		
Current service cost	7.53	8.83
Interest cost	1.66	1.41
Acquisition / Divestiture	(1.13)	-
Remeasurement (gains)/losses	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.20	(1.11)
Actuarial (gains) / losses arising from experience adjustments	5.05	(3.63)
Benefits paid	(4.02)	(4.33)
Closing defined benefit obligation	33.40	24.11

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

Principal assumption		Changes in assumption	Gratuity	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	Year ended March 31, 2024	100bps	(1.49)	1.62
	Year ended March 2023	100bps	(1.15)	1.27
Salary growth rate	Year ended March 31, 2024	100bps	1.35	(1.31)
	Year ended March 2023	100bps	1.14	(1.07)

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future Cash outflows towards the plan are as follows-

Financial Year	Rs. in Million	
	Amount	
Year 1	4.44	
Year 2	4.44	
Year 3	5.91	
Year 4	4.68	
Year 5	4.25	
Years 6 to 10	15.55	

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended March 31, 2024, the Company has incurred an expense on compensated absences amounting to 18.10 million (March 31, 2023 : Rs. 18.45 million). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.



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Note No. 30

Leases

Company as a lessee : The Company has entered into lease arrangements for land and office buildings. Refer Note 2.6 for the accounting policies adopted by Company respectively in respect of Ind AS 116

Movement in lease liabilities during the period/year:

Particulars	March 31, 2024	March 31, 2023
Opening balance	275.29	272.20
Additions	32.26	60.97
Interest	19.99	27.22
Derecognised on disposal of business	(171.82)	-
Lease payments	(65.63)	(85.10)
Closing balance	90.09	275.29
Current	6.87	64.14
Non-current	83.22	211.15

Maturity analysis of lease liabilities	March 31, 2024				March 31, 2023			
	1 year	1 to 5 years	More than 5 years	1 year	1 to 5 years	More than 5 years	1 year	More than 5 years
Land	7.26	26.84	-	-	-	-	-	-
Factory Building	6.62	30.68	49.92	-	85.82	212.20	-	58.27

Note

The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

31 Loss per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit / (Loss) for continuing operations after tax attributable to equity holders of the Company (A) (Rs. in Million)	(3,649.34)	(4,295.54)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(87.84)	(107.88)
Diluted loss per share (Rs.) (A/C)	(87.84)	(107.88)
Profit / (Loss) for discontinued operations after tax attributable to equity holders of the Company (A) (Rs. in Million)	(254.68)	(3,695.58)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(6.13)	(92.81)
Diluted loss per share (Rs.) (A/C)	(6.13)	(92.81)
Profit / (Loss) after tax attributable to equity holders of the Company (A) (Rs. in Million)	(3,904.02)	(7,991.12)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(93.97)	(200.69)
Diluted loss per share (Rs.) (A/C)	(93.97)	(200.69)

During the current year and in the previous year, the Company has incurred losses and the diluted loss per share for the current and previous year is anti-dilutive and hence the basic and diluted loss per share are the same.



32 Related Party Listing and Balances:

Details of transaction between the Company and its related parties are disclosed below:



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Onsource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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Note
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Nature of Balance	Entities having significant influence over				Other related parties		Key Managerial Personnel		Subsidiary		Re. in Million	
	As at		As at		As at		As at		As at		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Security Deposits												
Avoidah Private Limited	-	-	-	-	-	0.09	-	-	-	-	-	-
Chovadeep Properties Private Limited	-	-	-	-	-	4.42	-	-	-	-	-	-
Purchase of property, plant and equipment												
Storides Pharma Science Limited	-	0.97	-	-	-	-	-	-	-	-	-	-
Avoidah Private Limited	-	-	-	-	-	0.06	-	-	-	-	-	-
Employee cost												
Umantra Healthcare Private Limited	-	-	-	-	-	-	21.46	22.48	-	-	-	-
Necrop Sharma	-	-	-	-	-	-	2.67	-	-	-	-	-
Papa Aggarwal	-	-	-	-	-	-	-	3.68	-	-	-	-
Alfada Tridra	-	-	-	-	-	-	1.64	1.10	-	-	-	-
Sitting fees paid to directors												
Aditya Dora	-	-	-	-	-	-	0.20	1.20	-	-	-	-
Vinodha Ravi	-	-	-	-	-	-	0.10	1.60	-	-	-	-
Yashwanth AK	-	-	-	-	-	-	0.20	1.00	-	-	-	-
Rajesh Chha	-	-	-	-	-	-	3.20	-	-	-	-	-
Gopakumar Naji	-	-	-	-	-	-	3.60	-	-	-	-	-
Other Payables												
Storides Pharma Science Limited	143.34	52.20	-	-	-	-	-	-	-	-	-	-
Tenshi Pharmaceuticals Private Limited	118.18	7.66	-	-	-	-	-	-	-	-	-	-
Avoidah Private Ltd	-	-	183.78	65.21	-	-	-	-	-	-	-	-
Namit Pharma Private Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-
Chovadeep Properties Private Limited	-	-	0.61	0.53	-	-	-	-	-	-	-	-
Storides Pharma Inc	-	-	31.16	41.38	-	-	-	-	-	-	-	-
Storides Pharma Science Private Ltd	-	-	43.99	3.35	-	-	-	-	-	-	-	-
Storides Pharma UK Ltd	-	-	6.22	9.21	-	-	-	-	-	-	-	-
Storides Pharma (Cyprus) Limited	-	-	4.24	4.24	-	-	-	-	-	-	-	-
Sodana Active Pharma Sciences Limited	-	-	0.84	0.24	-	-	-	-	-	-	-	-
Parmed Healthcare GmbH	-	-	2.10	-	-	-	-	-	-	-	-	-
Brakes Private Ltd	-	-	-	-	-	-	-	-	0.80	-	-	-
Investments												
Brakes Private Limited - Investment amount	-	-	-	-	-	-	-	-	381.00	-	0.10	-
Provision for investment	-	-	-	-	-	-	-	-	181.82	-	-	-
Brakes Private Ltd - Investment amount	-	-	-	-	-	-	-	-	-	-	520.31	-
Provision for investment	-	-	-	-	-	-	-	-	-	-	(520.31)	-
Security Deposits												
Avoidah Private Limited	-	-	0.09	0.09	-	-	-	-	-	-	-	-
Chovadeep Properties Private Limited	-	-	4.42	4.42	-	-	-	-	-	-	-	-
Loan payable												
Finole Pharmaceuticals Private Limited	90.00	955.00	-	-	-	-	-	-	-	-	-	-
Avoidah Private Limited	-	-	500.00	-	-	-	-	-	-	-	-	-
Trade receivables												
Brakes Private Ltd	-	-	-	-	-	-	-	-	97.04	-	-	-
Brakes Private Limited	-	-	-	-	-	-	-	-	46.76	-	-	-
Storides Pharma Science Limited	6.18	0.17	-	-	-	-	-	-	-	-	-	-
Storides Private Limited	-	-	113.44	0.17	-	-	-	-	-	-	-	-
Storides Science Private Ltd	-	-	-	2.35	-	-	-	-	-	-	-	-
Advance from customers												
Storides Private Limited	-	-	12.14	-	-	-	-	-	-	-	-	-



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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Note

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33 Financial instruments

33.1 Categories of financial instruments

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Financial assets:		
Measured at amortised cost		
(a) Trade receivables	554.05	37.37
(b) Cash and bank balances	602.54	797.63
(c) Other financial assets at amortised cost	91.11	100.30
Measured at Fair Value		
(a) Investments	157.92	45.00
Financial liabilities:		
Measured at amortised cost		
(a) Long term borrowings	2,715.92	3,348.75
(b) Short term borrowings	2,900.38	5,018.16
(c) Lease Liabilities	90.09	275.29
(d) Trade payables	809.39	948.02
(e) Other financial liabilities	1,553.89	1,950.46

33.2 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value hierarchy

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

33.2.1 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed that the carrying value of financial assets and financial liabilities (except borrowings) approximate the fair value in both of the years presented.

The below table summarises the borrowings which are measured at amortised cost and for which fair values are disclosed, with corresponding carrying values:

Particulars	Rs. in Million			
	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Borrowings	5,616.30	5,695.23	8,366.91	8,426.95

33.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

33.3.1 Foreign currency risk management

The Company is exposed to foreign exchange risk due to:

- debt availed in foreign currency
- exposure arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency of the respective entities

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:



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Note
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Amount receivable/(payable)	Rs. in Million			
	As at		As at	
	March 31, 2024		March 31, 2023	
Exposure to the Currency	In foreign Currency	In INR	In foreign Currency	In INR
USD	(6.73)	(512.34)	(28.01)	(2,302.68)
EUR	(0.18)	(15.74)	(0.80)	(71.87)
GBP	0.01	1.43	(0.12)	(12.17)
SGD	(0.16)	(9.59)	(0.05)	(2.94)
AED	0.00	0.09	0.00	0.04
CHF	(0.01)	(0.96)	(0.02)	(1.58)
RUB	(1.29)	(1.29)	(1.29)	(1.29)

Foreign currencies are in millions

33.3.2 Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include External Commercial Borrowings (ECBs) and payables to vendors. The Company considers US Dollar and the Euro to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against INR is given below. The impact of exposure to other currencies is negligible.

Particulars	Rs. in Million	
	Increase / (Decrease) in Profit	
	March 31, 2024	March 31, 2023
Appreciation in the USD	(25.62)	(115.13)
Depreciation in the USD	25.62	115.13
Appreciation in the EUR	(0.79)	(3.59)
Depreciation in the EUR	0.79	3.59

The impact on profit has been arrived at by applying the effects of appreciation / depreciation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purposes of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of the respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at March 31, 2024.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.

33.3.3 Interest rate risk management

Interest rate risk arises from borrowings. Debt issued at variable rates exposes the company to cash flow risk. The company mitigates its interest rate risk by entering into interest rate Swap contracts. Debt issued at fixed rate exposes the company to fair value risk.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	Rs. in Million	
	As at	As at
	March 31, 2024	March 31, 2023
Fixed-rate instruments		
<i>Financial assets</i>		
Balance with banks held as margin money	538.56	748.53
	538.56	748.53
Variable-rate instruments		
<i>Financial liabilities</i>		
Borrowings from banks	5,616.30	8,366.91
	5,616.30	8,366.91



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**Note
No.**

33.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

33.5 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

33.5.1 Liquidity analysis for Non-Derivative Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial Liabilities	Due within (years)						Total	Rs. in Million Carrying Amount
	1	1 to 2	2 to 3	3 to 4	4 to 5	beyond 5		
Bank & other borrowings								
- As on March 31, 2024	3,354.18	1,446.24	894.81	-	-	-	5,695.23	5,616.30
- As on March 31, 2023	5,552.26	1,765.36	905.10	204.23	-	-	8,426.95	8,366.91
Interest payable on borrowings								
- As on March 31, 2024	104.29	-	-	-	-	-	104.29	104.29
- As on March 31, 2023	28.07	-	-	-	-	-	28.07	28.07
Lease Liabilities								
- As on March 31, 2024	13.88	14.64	15.44	16.29	11.16	49.92	121.33	90.09
- As on March 31, 2023	85.82	98.80	98.09	7.43	7.88	58.27	356.29	275.29
Trade and other payable								
- As on March 31, 2024	2,258.99	-	-	-	-	-	2,258.99	2,258.99
- As on March 31, 2023	2,870.41	-	-	-	-	-	2,870.41	2,870.41



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Note
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34 Deferred tax asset :

The Company has recognised the arising deferred tax asset on such losses to the extent of the corresponding deferred tax liability arising on the difference between the book balance of property, plant and equipment and other intangible assets and the written down value of such fixed assets under Income Tax and the provision for the employee benefits. With regard to the balance of the deferred tax assets in the absence of reasonable certainty that future taxable profits would be available for set off of such deferred tax assets, the Company has not recognized any deferred tax asset as at March 31, 2024

(a) Major components of tax expense/income :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Current Income Tax		
Current income tax expense	-	-
(ii) Deferred Tax :		
Tax expense on recognition / reversal of temporary differences	-	-
Income tax expense reported in the Statement of Profit and Loss	-	-

(b) Deductible temporary differences for which no deferred tax asset is recognised in the Standalone Balance Sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax assets/(liabilities) arising on account of:		
Unabsorbed brought forward losses and unabsorbed depreciation	5,720.14	5,720.14
Deductible temporary differences	(478.06)	(1,440.53)
Net Deferred tax assets not recognised in the Balance Sheet	5,242.08	4,279.61

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Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and non current assets in individual segments.

The Company's reportable segment are as follows: "Unit 1 - R&D and Unit 2 : CDMO-1 (Contract Development & Manufacturing Organization) and "Unit-3 : Multimodal Facility and CDMO-2" (divested during the current year refer note 39)

(i) Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	1,719.19	387.14
Unit 3 : Multimodal facility and CDMO - 2	35.35	23.60
Total	1,754.54	410.74

(ii) Profit or loss before tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	(3,649.34)	(4,295.54)
Unit 3 : Multimodal facility and CDMO - 2	(254.68)	(3,695.58)
Total	(3,904.02)	(7,991.12)

(iii) Non-current assets*

Particulars	As at March 31, 2024	As at March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	10,506.11	10,143.62
Unit 3 : Multimodal facility and CDMO - 2	-	6,812.34
Unallocated Assets	735.26	743.95
Total	11,241.37	17,701.91

*Non-current assets do not include financial assets under financial instruments

Geographical Information

(i) Revenue from continuing operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	1,183.16	266.11
Outside India	536.03	121.03
Total	1,719.19	387.14

(ii) Revenue from discontinued operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	35.35	23.60
Outside India	-	-
Total	35.35	23.60

(iii) Non-current assets*

Particulars	As at March 31, 2024	As at March 31, 2023
India	11,241.37	17,701.91
Total	11,241.37	17,701.91

*Non-current assets do not include financial assets under financial instruments

36 The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.



37 Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
(b) The Company does not have any transactions with companies struck off.
(c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(e) The Company has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)
(f) The Company has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts
(g) The Company has not been declared willful defaulter by any bank or financial institution or other lender
(h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)

38 Details of the employee share option plan of the Company:

On May 27, 2021, pursuant to shareholders approval at the extraordinary general meeting held, the Company has declared the ESOPs titled "Stelis ESOP Scheme 2021". Options not exceeding 5% of the paid-up equity capital of the Company on a fully diluted basis are covered under the plan which are convertible into equivalent equal number of equity shares of the Company. The Nomination and remuneration Committee ("NRC") will select and approve eligible Employees to whom Options be granted and to determine number of Options to be granted to an Employee.

Options under this program are granted to employees at an exercise price periodically determined by the NRC. All stock options have a four-year vesting term. The options vest and become fully exercisable at the rate of 10% in the first year, 15% in the second year, 25% in the third year and 50% in the fourth year of the vesting period from the date of grant. These options are exercisable within 30 days from the date of intimation by NRC about the occurrence of the Liquidity Event or such other time period as may be determined by the NRC within which the Optionee should Exercise his right to apply for the issue of Shares against the Vested Option pursuant to the Scheme.

Under the employee stock purchase plan of "Stelis ESOP Scheme 2021", employees may purchase shares of Stelis Biopharma at Rs.278 subject to terms and conditions of the scheme. On June 7, 2022, October 21, 2022 & January 20, 2023 the Company granted options under said scheme for eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The Company has amortised the fair value of option after applying an estimated forfeiture rate over the vesting period.

a) The details of fair market value of the options and the exercise price is as given below:

Grant Date	07-Jun-22	21-Oct-22
Number of options (Nos)	4,42,700	1,06,900
Fair market value of option at grant date (Rs)	372.84	372.76
Fair market value of shares per option at grant date (Rs)	555.00	555.00
Vesting period	4 years from the grant	4 years from the grant
Exercise price (Rs)	278.00	278.00

Grant Date	20-Jan-23
Number of options (Nos)	65,300
Fair market value of option at grant date (Rs)	367.30
Fair market value of shares per option at grant date (Rs)	555.00
Vesting period	4 years from the grant
Exercise price (Rs)	278.00

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	(Options in numbers)	
	As at 31 March, 2024	As at 31 March, 2023
Outstanding at the beginning of the year	4,99,800	-
Granted during the year	-	6,14,900
Lapsed/forfeited during the year	(2,02,300)	(1,15,100)
Vested during the year	-	-
Exercised during the year	-	-
Outstanding at end of the year	2,97,500	4,99,800
Exercisable at the end of the year	-	-

c) The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant Date	07-Jun-22	21-Oct-22
Number of options	4,42,700	1,06,900
Risk Free Interest Rate	7.08%	7.28%
Exercise period (years)	4.00	4.00
Expected Volatility	49.81%	45.93%
Expected Dividend Yield	0.00%	0.00%

Grant Date	20-Jan-23
Number of options	65,300
Risk Free Interest Rate	7.11%
Exercise period (years)	4.00
Expected Volatility	45.84%
Expected Dividend Yield	0.00%

The Company recognised Rs. 19.56 million (previous year: Rs. 59.59 million) towards share based payment expenses in the Statement of Profit and Loss.

Volatility is arrived through annualised standard deviation (market capitalisation weighted) of the daily returns of the specified benchmark companies on the Bombay Stock Exchange with the term equivalent to the expected term of the options.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note No.

39 Discontinued Operations

During the current year, for strategic business reasons, the Company entered into a Business Transfer Agreement dated September 01, 2023 (Amendment to Business Transfer Agreement dated December 01, 2023 and December 21, 2023) with Syngene International Limited for sale of its unit 3- Multimodal facility on a slump sale basis for a consideration of Rs. 6,161.41 million. The transaction recommended by Board of Directors is approved by shareholders in the Extra-Ordinary General Meeting held on July 04, 2023.

The transaction is completed during the current year.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	35.35	23.60
Other Income	16.67	19.74
Total revenue from discontinued operations (I)	52.02	43.34
Depreciation and amortisation expense	190.85	484.21
Other expenses charged-off to the Statement of Profit and Loss	555.95	1,387.34
Exceptional items gain / (loss) (net)	161.52	1,867.37
Total expenses from discontinued operations (II)	908.32	3,738.92
Loss from discontinued operation (III = I - II)	(856.30)	(3,695.58)
Gain / (loss) on disposal of:		
- Unit 3 Multimodal Facility	601.62	-
Net gain / (loss) on disposal of businesses (IV)	601.62	-
Loss from discontinued operations before tax (V = III + IV)	(254.68)	(3,695.58)
Attributable income tax expense (VI)	-	-
Loss from discontinued operations after tax (V - VI)	(254.68)	(3,695.58)

Gain on disposal

Particulars	Amount
Consideration received (net of provision of Rs. 50 million)*	6,111.41
Net assets disposed off	5,509.79
Gain on disposal	601.62

* Purchaser has retained Rs. 100 million which shall be paid post completion of certain closing conditions and the Management has accounted for provision of Rs. 50 million which is Management's best estimate of the recoverability of the pending amount.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Note

No

40 Ratio Analysis	As at March 31, 2024	As at March 31, 2023	Change	Ratios have a variance of >25% due to
Current Ratio - in times (A) / (B)	0.28	0.26	6%	
Current Assets (A)	1,764.19	2,282.10		Variance <25% and hence not applicable
Current Liabilities (B)	6,285.23	8,635.87		
<i>Current Assets is defined as Inventories, Trade receivables, Cash and cash equivalents, Other bank balances, Current loans, Other current financial assets and Other current assets</i>				
<i>Current Liabilities is defined as Current borrowings, Current lease liabilities, Trade payables, Other current financial liabilities, Current provisions, Current tax liabilities and Other current liabilities</i>				
Debt-Equity Ratio - in times (C) / (D)	1.43	1.10	31%	
Debt including lease liabilities (C)	5,706.39	8,642.20		The Company is in losses and hence the ratio has increased
Equity (D)	3,977.43	7,867.14		
<i>Debt is defined as non-current borrowings, current borrowings and lease liability (current and non-current).</i>				
<i>Equity is defined as Equity share capital and Other equity.</i>				
Debt Service Coverage Ratio - in times (E) / ((F) + (G))	NA	NA		The Company is in losses and hence the debt service coverage ratio is not applicable
<i>Earnings before interest, taxes, depreciation and amortisation is defined as:</i>				
<i>Profit for the period period year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income</i>				
<i>Debt repayment is defined as actual borrowings repaid and lease payments during the period period year</i>				
<i>Interest payments is defined as actual interest paid on borrowings and lease liability during the period year</i>				
Return on Equity ratio (H) / (I)	-91.75%	-101.58%	-10%	Variance <25% and hence not applicable
Net profit (H)	(3,649.34)	(7,991.12)		
Equity (I)	3,977.43	7,867.14		
<i>Net profit is defined as Profit for the period year after tax</i>				
<i>Equity is defined as Equity share capital and Other equity.</i>				
Inventory turnover ratio (K) / (L)	0.98	0.11	797%	Increase is due to increase in consumption on account of increase in revenues and decrease in the inventory balances due to write-off.
Cost of goods sold (K)	705.09	215.51		
Average Inventory (L)	721.94	1,978.51		
<i>Cost of goods sold is defined as Consumables during the year</i>				
<i>Average Inventory is defined as average of inventories as at the beginning and as at the end of the period year.</i>				
Trade receivables turnover ratio (M) / (N)	5.81	1.92	203%	Increase is due to increase in revenues during the current period.
Revenue from operations (M)	1,719.19	387.14		
Average Trade receivables (N)	295.71	201.69		
<i>Sales Turnover is defined as Sale of products and Sale of services</i>				
<i>Average Trade receivables is defined as average of Trade receivables as at the beginning and as at the end of the period year.</i>				
Trade payables turnover ratio (O) / (P)	0.80	0.27	192%	Increase is due to the increase in the consumption during the current period.
Cost of goods sold (O)	705.09	215.51		
Average Trade payables (P)	878.71	785.27		
<i>Cost of goods sold is defined as Consumables during the year</i>				
<i>Average Trade payables is defined as average of Trade payables as at the beginning and as at the end of the period year.</i>				
Net capital turnover ratio (Q) / (R)	(0.38)	(0.06)	524%	Decrease is due to increase in revenue from operations.
Sales Turnover (Q)	1,719.19	387.14		
Working Capital (R)	(4,521.04)	(6,353.77)		
Net profit ratio (S) / (T)	-207.18%	-1929.38%	-89%	Decrease is due to increase in revenues and decrease in exceptional losses.
Net profit (S)	(3,649.34)	(7,991.12)		
Gross Revenue (T)	1,761.44	414.18		



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

Return on capital employed (U) / (V)	-30.90%	-45.45%	-32%	Decrease is due to increase in revenues and decrease in exceptional losses.
Return on capital employed (Tangible) (U) / (W)				
Earnings Before Interest and Taxes (U)	(2,992.21)	(7,502.95)		
Capital Employed (V)	9,683.82	16,509.34		
Capital Employed Tangible (W)	9,683.82	16,509.34		
<i>Earnings before interest and taxes is defined as:</i>				
<i>Profit for the period/year before exceptional items and taxes (add)</i>				
<i>Finance costs (less) interest income</i>				
<i>Capital employed is defined as Equity and Debt</i>				
<i>Capital employed Tangible is defined as Equity and Debt less Goodwill</i>				

- 41 With effect from 1 April 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts.

The Company uses accounting software for maintaining the books of account which has a feature of recording audit trail and has defined process to enable audit trail of books of accounts and has enabled the feature of recording audit trail (edit log) facility except for the following

- in respect of accounting software, audit trail feature was not enabled for certain direct changes to tables at the application level for the period April 1, 2023 to March 31, 2024
- in respect of a software operated by a third party software service provider for maintaining payroll records, independent auditor's system and organisation controls report does not cover audit trail related reporting for the period from January 01, 2024 to March 31, 2024

The Management is of the view that this does not have any impact on its Financials Statements for the year ended March 31, 2024

- 42 **Approval of Standalone Financial Statements**

The Company's Standalone Financial Statements are approved for issue by the board of directors on May 17, 2024

For and on behalf of Board of Directors



P.R. Kannan
CFO & Executive Director
DIN : 03435209

Place : Bengaluru
Date : May 17, 2024



Neeraj Sharma
Managing Director
DIN : 09402652

Place : Bengaluru
Date : May 17, 2024



Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024



INDEPENDENT AUDITOR'S REPORT

To The Members of Onesource Specialty Pharma Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited) ("the Parent" or "the Company") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Deloitte Haskins & Sells

Sl. No.	Key Audit Matters	Auditor's responses
1	<p>Going concern assessment</p> <p>The Group has recorded a loss amounting to 3,911.65 million for the year ended 31 March 2024.</p> <p>Note 2.2(b) to the consolidated financial statements explain that Management has concluded that the going concern basis is appropriate in preparing the consolidated financial statements of the Company.</p> <p>The Group evaluated its ability to continue as a going concern based upon an assessment of the following:</p> <ul style="list-style-type: none"> - monetizing the value of the intangibles by way of obtaining marketing rights from regulatory authorities and licensing them; - generating increased revenues from CDMO operations; - raising funds through issue of non-convertible debentures; - infusion of capital by current shareholders to the extent of partly paid shares; and - continuing financial support from promoter shareholders. <p>This required the exercise of significant judgement, particularly in forecasting the Group's ability to meet all its obligations as and when it falls due. The Management has also considered that the majority of the Group's borrowings are backed by the corporate guarantees of Strides Pharma Science Limited ('Strides'), an entity having significant influence over the Parent.</p> <p>Based on their assessment, the Management concluded that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern.</p> <p>Considering the significance of the area to the overall standalone financial</p>	<p>Our audit procedures to assess the going concern assumption and whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Group's ability to continue as a going concern included the following audit procedures to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Gaining an understanding and assessing the design, implementation and operating effectiveness of Company's key internal controls over preparation of cash flow forecasts to assess its liquidity; • Compared the forecasted cash flows with the Company's business plan approved by the board of directors; • Evaluating the key assumptions in the cash flow forecasts with reference to historical information, current performance, future plans, and market and other external available information; • Performing a retrospective review to assess the reasonableness of Company's past projections by comparing historical forecasts to actual results; • Assessing the underlying supporting documents including corporate guarantee agreements provided by Strides on behalf of the Company to its lenders and confirmation received from Strides to extend necessary support, contracted licensing and manufacturing service agreements, proposed debt financing with underlying documents; • Assessing the pending infusion by the current shareholders towards partly paid-up shares and financial support from the promoters and a promoter group Company; • Performing sensitivity analysis on the forecasted cash flows by considering plausible changes to the key assumptions adopted by the Company; and • Assessing the adequacy of the disclosures related to application of the going concern assumption.

Deloitte Haskins & Sells

Sl. No.	Key Audit Matters	Auditor's responses
	statements this was significant for our audit.	
2	<p>Impairment assessment in respect of carrying value of the assets of the Cash Generating Unit (CGU) (which includes intangible assets under development and assets relating to Unit 1 – Research and Development Unit and Unit 2 - Contract Development and Manufacturing Organization (CDMO) as at 31 March 2024:</p> <p>As stated in note 4F of the consolidated financial statements, the Management of the Company has assessed the annual impairment of CGU (which includes intangible assets under development and assets relating to Unit 1 – Research and Development Unit and Unit 2 - Contract Development and Manufacturing Organization (CDMO).</p> <p>The carrying value of the CGU is tested by the Management atleast annually for impairment, or more frequently if the events or changes in circumstances indicate that the asset might be impaired. The evaluation requires a comparison of the estimated recoverable value of the CGU to the carrying value of the assets in the CGU. The Management has involved external specialist to carry out impairment assessment.</p> <p>We have considered this to be a key focus area because of the significance of the balance and the significant estimates, judgements and assumptions involved in impairment assessment by the Management, such as:</p> <ul style="list-style-type: none"> Obtaining adequate financing to fulfil the Company's development and commercial activities, the risks associated with development and obtaining regulatory approvals of the Company's products, generation of revenues in due course from the product portfolio and contract manufacturing, attainment of profitable operations, 	<p>Our principal audit procedures performed, among other procedures included:</p> <ul style="list-style-type: none"> We obtained an understanding of the Management's process for impairment assessment of the carrying value of assets of the CGU. Evaluated the design and implementation of the relevant controls and carried out testing of the Management's control around the impairment assessment. We inquired with Management to understand the factors considered when performing the impairment assessment including the rationale for the events and circumstances considered based on strategic plans of the entity (business revenue projections), consideration of economic and industry matters and the factors considered regarding the overall value in use conclusion. Evaluated the competence of the Management's expert and the key assumptions considered in the Management's estimates of future cash flows. Involved our independent valuation specialist to assist in evaluating methodologies, terminal growth rate, the discount rate applied, which included benchmarking the weighted average cost of capital with sector averages for the relevant markets in which the CGU operates and considering Company specific factors and other key assumptions considered in the calculations. Compared the historical cash flows (including for current year) against past projections of the Management for the same periods and gained understanding of the rationale for the changes. Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows.

Deloitte Haskins & Sells

Sl. No.	Key Audit Matters	Auditor's responses
	<ul style="list-style-type: none"> • agreeing with the appropriate partner for the developments of product portfolio, • meeting or capturing the estimated market share for the product portfolios, • discount rate and • probabilities applied to the revenues which also factors Management's best estimate of possible delay in product development cycle and regulatory approvals. 	<ul style="list-style-type: none"> • We ascertained the extent to which a change in these assumptions, both individually or in aggregate, would result in impairment, and considered the likelihood of such events occurring. • We tested the arithmetical accuracy of the computations. • We assessed the accounting principles applied by the Company and adequacy of disclosures in accordance with the Indian Accounting Standards, applicable regulatory financial reporting framework and other accounting principles generally accepted in India.

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

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

Deloitte Haskins & Sells

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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the 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.

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

We communicate with those charged with governance of the Parent 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 financial controls that we identify during our audit.

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

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

Other Matter

We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs. 3.93 million as at 31 March 2024, total revenues of Rs. Nil and net cash inflows amounting to Rs. 0.10 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 subsection (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 above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and 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 maintained by the Group, including relevant records 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 for not complying with the requirement of audit trail as stated in (i)(vi) below.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on 31 March 2024 taken on record by the Board of Directors of the 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 is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Parent.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to their respective directors during the year is in accordance with the provisions of Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 28 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 Parent and its subsidiary companies incorporated in India.
 - iv) (a) The respective Managements of the Parent and its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the

note 39 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, as disclosed in the note 39 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed 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, nothing has come to our or other auditor's 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 (a) and (b) above, contain any material misstatement.
- v) The Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi) Based on our examination which included test checks and that performed by the other auditor of the subsidiary company and based on the other auditor's report of the subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary company have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of the Parent Company (refer note 42 to the consolidated financial statements):
 - (i) for one accounting software, audit trail was not enabled for certain direct changes to tables at the application level. Accordingly, we are unable to comment on whether there was any instance of the audit trail feature being tampered with.
 - (ii) for another accounting software operated by a third party software service provider for maintaining payroll records based on the independent auditor's system and organisation controls report covering the requirement of audit trail, the software has a feature of recording audit trail (edit log) facility at the application level and the same has operated during the period April 1, 2023 till December 31, 2023 and there were no instance of audit trail feature being tampered with. In the absence of an independent auditor's system and organisation controls report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated post December 31, 2023, for all

relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the auditors of the subsidiary company incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Parent, and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja

(Partner)

Membership Number : 220411
(UDIN: 24220411BKERLB4498)

Place: Bengaluru
Date: 17 May 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited) (hereinafter referred to as "Parent") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which are companies incorporated in India, 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 Parent and its subsidiary company, 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

Deloitte Haskins & Sells

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

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

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor referred to in the Other Matter paragraph below, the Parent, its subsidiary company, 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 March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements 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.

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 in so far as it relates to subsidiary company, which are companies incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja

(Partner)

Membership Number : 220411
(UDIN: 24220411BKERLB4498)

Place: Bengaluru
Date: 17 May 2024

Quesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Consolidated Balance Sheet as at March 31, 2024
CIN: U74140KA2007PLC043095

Rs. in Million			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
A. ASSETS			
I Non-current assets			
(a) Property, Plant and Equipment	4A	6,596.46	11,269.51
(b) Right of use assets	4B	227.84	399.08
(c) Capital work in progress	4C	427.35	1,912.51
(d) Intangible assets	4D	1,801.56	1,944.68
(e) Intangible assets under development	4E	1,452.90	1,432.38
(f) Financial assets			
(i) Investments	8	37.91	*
(ii) Security deposits	5	41.11	100.30
(g) Other non-current assets	6	737.17	745.78
Total non-current assets		11,322.30	17,804.04
II Current assets			
(a) Inventories	7	112.31	1,331.57
(b) Financial assets			
(i) Investments	8	157.92	45.00
(ii) Trade receivables	9A	552.39	38.22
(iii) Cash and cash equivalents	10A	64.72	49.74
(iv) Bank balances other than (iii) above	10B	538.56	748.53
(v) Other financial assets	9B	50.00	*
(c) Other current assets	6	287.91	70.98
Total current assets		1,763.81	2,284.04
Total assets (I+II)		13,086.11	20,088.08
B. EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	11A	40.10	40.10
(b) Other equity	11B	3,917.03	7,814.43
Total Equity		3,957.13	7,854.53
II Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	2,715.92	3,348.75
(ii) Lease liabilities	13	83.22	211.15
(b) Provisions	14	23.96	21.50
Total Non-current liabilities		2,823.10	3,581.40
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,905.72	5,018.16
(ii) Lease liabilities	13	6.87	64.14
(iii) Trade payables	16		
(A) total outstanding dues of micro and small enterprises		144.46	170.99
(B) total outstanding dues of creditors other than micro and small enterprises		665.77	777.21
(iv) Other financial liabilities	17	1,568.35	1,965.54
(b) Provisions	14	42.98	35.83
(c) Other current liabilities	18	971.73	620.28
Total Current liabilities		6,305.88	8,652.15
Total Equity and liabilities (I+II)		13,086.11	20,088.08

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration Number : 0080725

Sandeep Kukreja
Partner
Membership Number : 220411



Place : Bengaluru
Date : May 17, 2024

For and on behalf of Board of Directors

P R Kannan
CFO & Executive Director
DIN : 03435209

Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Consolidated Statement of Profit and Loss for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

Sl No	Particulars	Note No.	Rs. in Millions	
			Year ended 31-Mar-24	Year ended 31-Mar-23
A. Continuing Operations				
1	Revenue from operations	19	1,719.19	387.14
2	Other income	20	42.25	26.92
3	Total income (1+2)		1,761.44	414.06
4	Expenses			
	(a) Consumables	21	705.09	204.11
	(b) Employee benefits expenses	22	793.61	728.01
	(c) Finance costs	23	894.48	475.45
	(d) Depreciation and amortisation expenses	24	762.93	656.80
	(e) Other expenses	25	1,102.88	1,061.89
	Total expenses (4)		4,258.99	3,126.26
5	Loss before exceptional items and tax (3 - 4)		(2,497.55)	(2,712.20)
6	Exceptional items - loss (refer note 26)	26	(1,159.42)	(1,444.25)
7	Loss before tax (5 + 6)		(3,656.97)	(4,156.45)
8	Tax expense		-	-
9	Loss after tax from Continuing operations (7 - 8)		(3,656.97)	(4,156.45)
B. Discontinued Operations				
	(i) Loss from Discontinued Operations	34	(856.30)	(3,841.85)
	(ii) Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	34	601.62	-
	(iii) Tax expense of discontinued operations		(254.68)	(3,841.85)
10	Loss after tax from discontinued operations		(3,911.65)	(7,998.30)
11	Loss for the year (9 + 10)			
12	Other Comprehensive Income			
	Items that will not be reclassified to statement of profit and loss			
	- Remeasurements of post employment benefit obligations - (loss) / gain	29	(5.25)	4.75
	Items that may be reclassified to statement of profit and loss			
	- Exchange differences in translating the financial statements of foreign operations		(0.06)	16.12
	Total other comprehensive (loss) / income		(5.31)	20.87
13	Total comprehensive loss for the year (11 + 12)		(3,916.96)	(7,977.43)
14	Loss per share (of Rs. 1/- each) (for continuing operations):	31		
	- Basic		(88.02)	(104.38)
	- Diluted		(88.02)	(104.38)
	Loss per share (of Rs. 1/- each) (for discontinued operations):			
	- Basic		(6.13)	(96.49)
	- Diluted		(6.13)	(96.49)
	Loss per share (of Rs. 1/- each) (for total operations):			
	- Basic		(94.15)	(200.87)
	- Diluted		(94.15)	(200.87)

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration Number : 008072S

Sandeep Kukreja
Partner
Membership Number : 220411



For and on behalf of Board of Directors

P R Kannan
CFO & Executive Director
DIN : 03435209

Nooraj Sharma
Managing Director
DIN : 09402652

Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024

Place : Bengaluru
Date : May 17, 2024

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Consolidated Statement of Cash Flow for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

Rs. in Million

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities		
Loss before tax for the year		
Continuing Operations	(3,656.97)	(4,156.45)
Discontinuing Operations	(254.68)	(3,841.85)
Loss before tax for the year (including discontinuing operations)	(3,911.65)	(7,998.30)
Adjustments for:		
Depreciation and amortisation	953.80	1,141.01
Finance costs	1,171.63	1,207.63
Interest income	(32.65)	(30.32)
Write-off of Property, Plant and Equipment	-	7.11
Share based payment expenses	19.56	59.59
Advance written off	0.73	-
Sundry creditors written off	-	(0.06)
Gain on termination of lease	(38.66)	-
Loss on sale of asset	62.12	-
Insurance claim against property, plant and equipment	-	(9.03)
Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations	(601.62)	-
Unrealised exchange (gain)/loss (net)	24.99	221.92
Exceptional Items :-		
Provision for Inventory Obsolescence related to Sputnik Light vaccines	1,223.29	2,002.24
Write-off of GST related balance (including the balances of discontinued operations)	97.65	-
Write-off related to Inventories and other related balances of Akston Project	-	491.05
Intangibles under development written-off	-	953.20
	2,880.84	6,044.74
Operating loss before working capital changes	(1,030.81)	(1,953.96)
Changes in working capital:		
Adjustments for (increase) decrease in operating assets:		
Trade receivable	(514.17)	198.21
Other assets (financial & non-financial)	(256.71)	12.27
Decrease / (increase) in inventories	(4.03)	(379.03)
Adjustments for increase (decrease) in operating liabilities:		
Trade payables	(160.94)	150.97
Other liabilities (financial & non-financial)	894.55	431.58
	(41.70)	217.00
Net cash used for operating activities	(1,072.11)	(1,736.96)
Income taxes	-	109.31
Net cash used in operating activities (A)	(1,072.11)	(1,627.65)
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipments including capital advances	(637.67)	(439.95)
Proceeds from sale of asset	3.97	-
Investments in subsidiaries	(37.91)	-
Proceeds from sale of multimodule facility	5,531.70	-
Proceeds from termination / (contribution to) of margin money deposits	610.17	(268.71)
Investment in fixed deposit	(384.23)	-
Interest received	29.42	30.32
Net cash flow from / (used in) investing activities (B)	5,105.45	(678.34)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	5,647.58
Proceeds from issue of non-convertible debentures	3,907.20	500.00
Redemption of non-convertible debentures	(1,057.50)	-
Proceeds of short term borrowings - Related party	2,545.01	955.00
Repayment of short term borrowings - Related party	(2,909.49)	-
Proceeds of short term borrowings	980.00	78.73
Proceeds of long-term borrowings	-	28.52
Repayment of long-term borrowings	(3,988.79)	(3,962.59)
Repayment of short term borrowings	(2,283.45)	(926.05)
Lease Payments	(68.63)	(85.10)
Interest paid	(1,032.70)	(1,052.91)
Net cash (used in) / flow from financing activities (C)	(3,905.44)	1,183.18



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Consolidated Statement of Cash Flow for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

Net increase / (decrease) in cash and cash equivalents (A+B+C)	127.90	(1,122.81)
Cash and cash equivalents at the beginning of the year	94.74	1,217.55
Cash and cash equivalents at the end of the year	222.64	94.74
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 10A)	64.72	49.74
Liquid Mutual Funds (Refer Note 8)	157.92	45.00
Cash and cash equivalents at the end of the year *	222.64	94.74
* Cash and cash equivalents comprises:		
Cash on hand	0.03	0.66
Balances with banks		
- in current accounts	64.69	49.08
Liquid Mutual Funds	157.92	45.00
Total	222.64	94.74

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration Number : 008072S

Sandeep Kukreja
Partner
Membership Number : 220411



Place : Bengaluru
Date : May 17, 2024

For and on behalf of Board of Directors

P R Kannan
CFO & Executive Director
DIN : 03435209

Neeraj Sharma
Managing Director
DIN : 09402652

Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Statement of Changes in Equity for the year ended March 31, 2024
CIN: U74140KA2007PLC043095

A. Equity Share Capital

(1) Current reporting period

Rs. in Million

Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
40.10	-	40.10

(2) Previous reporting period

Balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
30.36	9.74	40.10

B. Other equity

Rs. in Million

Particulars	Reserves and Surplus				Total equity attributable to equity holders of the Company
	Securities premium account	Share based payment reserve	Retained earnings	Other comprehensive income - Foreign currency translation	
Balance as at April 01, 2022	16,401.78	-	(6,313.97)	6.62	10,094.43
Loss for the year from continuing operations	-	-	(4,156.45)	-	(4,156.45)
Loss on Discontinuing Operations	-	-	(3,841.85)	-	(3,841.85)
Charge for the year	-	59.59	-	-	59.59
Premium received on shares issued during the year	5,637.84	-	-	-	5,637.84
Remeasurements of post employment benefit obligations	-	-	4.75	16.12	20.87
- Recognised as OCI	-	-	-	-	-
Balance as at March 31, 2023	22,039.62	59.59	(14,307.52)	22.74	7,814.43
Loss for the year from continuing operations	-	-	(3,656.97)	-	(3,656.97)
Loss on Discontinuing Operations	-	-	(254.68)	-	(254.68)
Charge for the year	-	19.56	-	-	19.56
Remeasurements of post employment benefit obligations	-	-	-	-	-
- Recognised as OCI	-	-	(5.25)	(0.06)	(5.31)
Balance as at March 31, 2024	22,039.62	79.15	(18,224.42)	22.68	3,917.03

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration Number : 008072S

For and on behalf of Board of Directors

Sandeep Kukreja

Partner

Membership Number : 220411

P R Kannan

CFO & Executive Director

DIN : 03435209

Neeraj Sharma

Managing Director

DIN : 09402652

Allada Trisha

Company Secretary

Membership Number : A47635

Place : Bengaluru

Date : May 17, 2024

Place : Bengaluru

Date : May 17, 2024



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

1 General Information

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited) (the 'Company' or 'Parent Company' or 'Stelis') was incorporated in the state of Karnataka on June 12, 2007 and engaged in the research, development, manufacture and commercialisation of biological drug products in various injectable forms. Stelis also offers end-to-end CDMO services across all phases of pre-clinical and clinical development and commercial supply of biologics. The Company and its subsidiaries are together referred as "Group".

The Company's application to Central Government for change of name from Stelis Biopharma Limited to Onesource Specialty Pharma Limited dated November 26, 2023 was approved by the relevant regulatory authority on February 13, 2024.

2 Material accounting policies

2.1 Statement of compliance

These Consolidated Financial Statements have been prepared to comply with recognition and measurement principles of Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

2.2(a) The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2.2(b) During the year ended March 31, 2024, the Group has incurred loss of Rs. 3,911.65 million (year ended March 31, 2023 : Rs. 7,998.30 million). The current liabilities (including current maturities of long-term debt of Rs. 1,560.38 million) exceeded its current assets by Rs. 4,542.07 million as at March 31, 2024. The Group also requires additional funds to continue its product development activities and day to day operations and completion of capital projects in progress.

The Company has requested temporary relaxations for compliance with the financial covenants from the lenders for the years ended March 31, 2024 as these have not been met. Pending approval from lenders, the Company has classified the entire outstanding amount as current borrowings as loan agreement provides for call back if financial covenants are breached.

The Company also expects to grow the business of Contract Development and Manufacturing Operations (CDMO). The Company has also signed several Manufacturing Services Agreements (MSA) for its CDMO business which is expected to convert into Commercial supplies under a Commercial Sales Agreement (CSA) on approval for the customer in future.

The Company had entered into the scheme of arrangement whereby the Company will set up 'One Source', Specialty Pharma CDMO that will be established through the demerger of CDMO unit of SriScience Specialties Private Limited and Oral Soft Gelatin technologies of Strides Pharma Science Limited. The Company had applied for the Scheme of arrangement during the current year and the process of setting up is expected to complete by December 2024.

During the year, the promoter group companies and other Investors have infused funds in the form of debt into the Company aggregating to Rs. 7,497.59 million (including Rs. 2,539.59 million from the promoter group companies). Subsequent to the reporting year, the Company has raised Rs. 2,000 million through issue of 20,000 non-convertible debentures of face value of Rs. 1 lakh each which will list with BSE India. The promoters are committed to continue to provide the requisite financial support to the Company as it requires in the normal course of business.

Majority of the Company's borrowings are backed by the corporate guarantees provided by Strides Pharma Science Limited (Strides), an entity having significant influence on the Company. The Company has received a confirmation from Strides affirming that in case of any guarantees devolving on Strides, they will provide 15 months time for repayment.

The management is confident of executing the aforesaid mitigation plans to ensure that the Company meets all its obligations in the normal course of business.

2.2(c) Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of subsidiaries considered in these Consolidated Financial Statements :-

Name of the Subsidiary	% of Holding	Country of Incorporation
Biolexis Pte Limited**	100%	Singapore
Biolexis Private Limited	100%	India
Stelis Pte Limited	-	Singapore
Stelis Biopharma UK Private Limited	-	United Kingdom

* No investments by the Parent in these subsidiaries as of March 31, 2024.

** The Company holds 100% in Biolexis Pte Limited through Biolexis Private Limited.

2.3 Revenue recognition

Revenue is measured based on the transaction price (net of variable consideration) allocated to that performance obligation. The Group recognises revenue when it transfers control of a product or service to a customer. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes.

2.3.1 Sale of Services

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on achievement of agreed milestones and are net of indirect taxes, where applicable.

Materials consumed during the process of providing aforesaid services are billed at cost plus agreed upon mark up with the customers.

Goods and Service Tax [GST] is not received by the Company on its own account. Rather, it is a tax collected on value added to the goods and services by the Company on behalf of the government. Accordingly, it is excluded from revenue.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Sale of goods

Revenue from sale of goods is recognised upon transfer of control to the customer. The point at which control passes depends on the terms set forth in the customer's contract. Generally, the control is transferred upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product sold.

The Company recognises a deferred income (contract liability) if consideration has been received before the company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, noncancellable or otherwise enforceable contracts.

2.3.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4 Functional Currency

The Consolidated Financial Statements are presented in Indian rupees, which is the functional currency of the Parent Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

2.5 Foreign currencies transactions and translation

At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the year in which they arise.

2.6 Leases

2.6.1 The Group as lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.6.2 The Group as lessee

The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves—

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Group has entered into lease arrangements for its factory land and office premises. The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.7 Borrowing costs

Borrowing costs include:

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in statement of profit and loss in the year in which they are incurred.

2.8 Employee benefits

2.8.1 Short term obligations

Liabilities for wages and salaries, including other benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled.

2.8.2 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting year. Remeasurement, comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest), are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the year in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss when the plan amendment, or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements),
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item "Employee benefits expense".

The retirement benefit obligation recognised 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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8.3 Defined contribution plan

Contribution to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

2.8.4 Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the year in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.



2.8.5 Share based compensations

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.9 Taxation

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting year.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets includes Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.9.3 Current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment and depreciation

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed to be different and are as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Dies and punches : 4 years

Certain factory buildings: Lease year of the asset

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

When an item of property, plant and equipment is acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets, the cost of that item is measured at fair value (even if the entity cannot immediately derecognise the asset given up) unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

2.11 Intangible assets and amortisation

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.11.2 Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
 - the intention to complete the intangible asset and use or sell it;
 - the ability to use or sell the intangible asset;
 - how the intangible asset will generate probable future economic benefits;
 - the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
 - the ability to measure reliably the expenditure attributable to the intangible asset during its development.
- The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in statement of profit or loss in the year in which it is incurred.

Expenses capitalised includes directly attributable cost of preparing intangible asset for its intended use and borrowing costs capitalised in accordance with the Group's accounting policy.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.



2.11.3 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognised.

2.11.4 Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on straight line method
Software Licences : 3 - 5 years
Marketing and manufacturing rights : 15 years

2.12 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Cost is determined as follows:

Raw materials, packing materials and consumables	Weighted average basis
Finished Goods and WIP	Weighted average basis - Includes appropriate proportion of overheads

2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.14 Financial instruments

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

Financial assets and Financial liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

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

Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the consolidated statement of profit and loss.

Derecognition of financial assets and liabilities:

The Group derecognises the financial asset only when the contractual rights to the cashflows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to the other entity. If the Group neither transfers nor retains substantially all risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and associated liability for the amounts it may have to pay. If the Group retains substantially all risks and rewards of the ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the group after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net of direct issue cost.

2.15 Impairment of assets

Impairment of non-financial assets

At the end of each reporting year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

Impairment of financial assets:

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

2.16 Goods and Service Tax Input credit

Goods and Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.



- 2.17 Operating Cycle**
As mentioned in para 1 above under "General information", the Group is into development and manufacture of pharmaceutical products. Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 3 years to 5 years and 12 months relating to research and development activities and manufacturing of pharmaceutical products respectively. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.
- 2.18 Government Grants**
Grants from the Government are recognised when there is reasonable assurance that:
(i) the Group will comply with the conditions attached to them; and
(ii) the grant will be received.
Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the years necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. Government grants related to assets, including nonmonetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset.
- 2.19 Exceptional Items**
Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.
- 2.20 Statement of Cash Flow**
Cash flows are reported using the indirect method, where by Profit / (Loss) for the year is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.
- 2.21 Discontinued Operations**
A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

The gain or loss arising on disposal business is recognised in the statement of profit and loss.
- 2.22 Segment reporting**
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.
- 3 Critical accounting judgements and key sources of estimation uncertainty**
The preparation of Consolidated Financial Statements requires the management to make estimates and assumptions that affect the amounts reported for assets and liabilities including the recoverability of tangible and intangible assets, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reported year. Estimates and judgments are continually evaluated by the management.
- 3.1 Key sources of estimation uncertainty**
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
- 3.1.1 Useful lives of property, plant and equipment and Intangible assets**
The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting year. This assessment may result in change in the depreciation expense in future years.
- 3.1.2 Recoverability of non-current assets**
Annually, the Group reviews the carrying amount of carrying value of the assets of the Cash Generating Unit (CGU) (which included the property, plant and equipment, capital work-in-progress, right-of-use asset, intangible asset and intangible assets under development) for impairment. The recoverability of non-current assets is based on the estimated future cash flows, using the Group's current business plan. The value in use of the assets were determined using a discounted cash flow methodology based primarily on unobservable inputs, including estimated post-tax future cash flows attributable to the assets and a post-tax discount rate reflecting a current market assessment of the time value of money and the risks specific to the assets. The changes in current estimates due to unanticipated events could have significant impact on the Consolidated Financial Statements.
- 3.1.3 Taxes**
Deferred tax assets is recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- 3.1.4 Defined benefit plans (gratuity benefits)**
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. These mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 29.
- 3.1.5 Going Concern**
The Group has mitigating plans due to which there is a reasonable expectation that the Group will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its Consolidated Financial Statements remains appropriate. Also see Note 2.2(b).
- 3.1.6 Share based compensations**
At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.
- 3.1.7 Leases under Ind AS 116**
Ind AS 116 requires lessees to determine the lease term as the non-cancellable year of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future years is reassessed to ensure that the lease term reflects the current economic circumstances.
- 3.1.8 Estimation of uncertainties relating to the geopolitical situation in Russia and Ukraine:**

As at March 31, 2024, the Group has considered possible effects that may result from geopolitical situation in Russia and Ukraine, in preparation of the Consolidated Financial Statements including assessing the recoverability of property, plant and equipment, intangible assets, capital work in progress, intangible assets under development, right of use assets, intangibles and other assets. The Group has considered both internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Management expects to recover the carrying amount of these assets. However, the impact of this geopolitical situation may be different from that estimated as at the date of approval of these Consolidated Financial Statements given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.



Onesource Specialty Pharma Limited (formerly known as Sella Biosciences Limited)
Notes forming part of the Consolidated Financial Statement for the year ended March 31, 2024

Note No. 4A Property, Plant and Equipment

Particulars	Gross carrying value			Accumulated depreciation			Rs. in Million	
	As at April 01, 2023	Additions	Disposals	Discontinued on disposal of business (refer note 3A)	As at March 31, 2024	As at April 01, 2023	Eliminated on disposal of assets	As at March 31, 2024
Leasehold Improvements	1,440.89	4.48	-	233.56	1,211.81	254.35	53.87	203.81
	(1,426.83)	(12.31)	(0.25)	(0.25)	(1,440.89)	(168.26)	(0.24)	(1,441.39)
Plant and Machinery	11,032.32	660.98	78.01	4,905.04	7,620.25	2,073.30	12.33	2,073.14
	(11,568.60)	(401.90)	(38.18)	(4,905.04)	(11,913.32)	(1,223.00)	(25.20)	(1,223.00)
Office equipments	124.21	6.77	-	26.37	104.61	73.54	24.36	80.30
	(116.98)	(7.45)	(0.22)	(0.22)	(124.21)	(30.09)	(0.21)	(124.21)
Computers	164.07	10.50	-	61.35	114.22	80.26	32.72	82.75
	(156.41)	(12.37)	(3.81)	(61.35)	(114.22)	(35.48)	(3.55)	(114.22)
Furniture and fixtures	110.92	2.58	1.32	32.29	79.89	23.23	9.91	26.19
	(99.44)	(12.95)	(3.47)	(32.29)	(110.92)	(43.71)	(4.09)	(123.23)
Vehicles	172	-	-	-	172	0.64	0.21	0.85
	(172)	-	-	-	(172)	(0.43)	(0.21)	(172)
Total	13,775.03	484.33	79.31	5,208.91	8,940.45	2,452.93	13.24	2,530.45
Previous year	(13,568.90)	(451.90)	(45.92)	-	(13,775.03)	(1,512.57)	(32.07)	(17,840.57)

Note :-
(1) Figures in bracket relates to previous year (April 01, 2023 to March 31, 2023)
(2) Refer note 12 on properties pledged as security towards borrowings

Note No. 4B Right of Use Assets

Particulars	Gross carrying value			Accumulated depreciation			Rs. in Million	
	As at April 01, 2023	Additions	Disposals	Discontinued on disposal of business (refer note 3A)	As at March 31, 2024	As at April 01, 2023	Eliminated on disposal of assets	As at March 31, 2024
Land	157.35	34.80	-	-	192.15	8.03	-	16.11
	(157.35)	-	-	-	(192.15)	(1.63)	-	(190.27)
Building	385.71	-	-	321.75	64.96	134.75	-	10.15
	(321.71)	(60.97)	-	(321.75)	(64.96)	(63.26)	-	(134.75)
Plant and Machinery	4.31	-	-	-	4.31	2.46	-	3.32
	(4.31)	-	-	-	(4.31)	(0.86)	-	(0.86)
Total	547.37	34.80	-	321.75	250.42	145.24	-	152.52
Previous year	(481.40)	(60.97)	-	-	(547.37)	(77.11)	-	(624.48)

Note :-
(1) Figures in bracket relates to previous year (April 01, 2023 to March 31, 2023)

Note No. 4C Capital Work in Progress

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,912.31	677.56
Add: Additions during the year	186.71	1,699.67
Less: Capitalised during the year	(686.79)	(464.92)
Less: Discontinued on disposal of business (refer note 3A)	(964.51)	-
Closing Balance	427.73	1,912.31

Capital Work in Progress	Amount in CWP for a period of			As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	78.48	122.86	1.18	224.91
Total	78.48	122.86	1.18	427.73

Capital Work in Progress	Amount in CWP for a period of			As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	1,393.41	259.79	18.99	240.61
Total	1,393.41	259.79	18.99	1,912.31

At the end of the balance sheet there are no capital work-in-progress projects whose completion is overdue or has exceeded the event based on approval plan



Note No. 4D Intangible Assets

Particulars	Gross carrying value				Net carrying value			
	As at April 01, 2023	Additions	Disposals	Reversed on disposal of business (refer note 34)	As at March 31, 2024	As at April 01, 2023	Amortisation expense for the year	Eliminated on disposal of assets
Software licenses	75.74	1.45	-	6.77	70.42	-	11.96	-
Marketing and manufacturing rights	(62.80)	(12.94)	-	-	(75.74)	(18.97)	(18.97)	-
	1,930.72	-	-	-	1,930.72	27.86	128.71	-
	(1,930.72)	-	-	-	-	-	(17.86)	-
Total	2,000.74	1.45	-	6.77	2,008.96	61.79	1,086.7	-
Previous year	(62.80)	(12.94)	-	-	(75.74)	(18.97)	(17.86)	-

Note: -

(i) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

(ii) Marketing and manufacturing rights has a remaining amortisation period of 44 months as at March 31, 2024 (March 31, 2023: 56 months)

Note No. 4E Intangible assets under development

Particulars	As at March 31, 2024		As at March 31, 2023	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Intangible assets under development	1,452.90	1,452.90	1,413.38	1,413.38
Total	1,452.90	1,452.90	1,413.38	1,413.38

Note: -

(i) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

(ii) Marketing and manufacturing rights has a remaining amortisation period of 44 months as at March 31, 2024 (March 31, 2023: 56 months)

Particulars	As at March 31, 2024		As at March 31, 2023	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Intangible assets under development	1,452.90	1,452.90	1,413.38	1,413.38
Total	1,452.90	1,452.90	1,413.38	1,413.38

Note: -

(i) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

(ii) Marketing and manufacturing rights has a remaining amortisation period of 44 months as at March 31, 2024 (March 31, 2023: 56 months)

Particulars	Gross carrying value				Net carrying value			
	As at April 01, 2023	Additions	Disposals	Reversed on disposal of business (refer note 34)	As at March 31, 2024	As at April 01, 2023	Amortisation expense for the year	Eliminated on disposal of assets
Software licenses	75.74	1.45	-	6.77	70.42	-	11.96	-
Marketing and manufacturing rights	(62.80)	(12.94)	-	-	(75.74)	(18.97)	(18.97)	-
	1,930.72	-	-	-	1,930.72	27.86	128.71	-
	(1,930.72)	-	-	-	-	-	(17.86)	-
Total	2,000.74	1.45	-	6.77	2,008.96	61.79	1,086.7	-
Previous year	(62.80)	(12.94)	-	-	(75.74)	(18.97)	(17.86)	-

Note: -

(i) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

(ii) Marketing and manufacturing rights has a remaining amortisation period of 44 months as at March 31, 2024 (March 31, 2023: 56 months)

Particulars	As at March 31, 2024		As at March 31, 2023	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Intangible assets under development	1,452.90	1,452.90	1,413.38	1,413.38
Total	1,452.90	1,452.90	1,413.38	1,413.38

Note: -

(i) Figures in bracket relates to previous year (April 01, 2022 to March 31, 2023)

(ii) Marketing and manufacturing rights has a remaining amortisation period of 44 months as at March 31, 2024 (March 31, 2023: 56 months)



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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Note
No.

5 Financial asset - Security Deposits

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. in Million		Rs. in Million	
	Current	Non-Current	Current	Non-Current
Security Deposits - unsecured, considered good	-	41.11	-	100.30
Total	-	41.11	-	100.30

* Includes security deposit given to related parties (refer note 32)

6 Other assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. in Million		Rs. in Million	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good:				
- Capital advances	-	183.52	-	112.85
- Balances with government authorities	-	-	-	12.74
- VAT/CST refund receivable	-	545.66	-	595.98
- GST credit & other receivable	-	-	-	-
- TDS receivable	137.33	-	25.28	-
- Advances to vendors	115.12	-	33.13	-
- Advances to employees	4.33	-	1.75	-
- Prepaid expenses	31.13	7.99	10.82	24.21
Unsecured, considered doubtful:				
- Advances to vendors	144.01	-	144.01	-
- Less : Allowance for doubtful advances	(144.01)	-	(144.01)	-
Total	287.91	737.17	70.98	746.98

7 Inventories

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. in Million		Rs. in Million	
Raw materials	726.81	731.77		
Consumables	556.97	658.00		
Less : Provision for inventory Obsolescence	(1,171.47)	(58.20)		
Total	112.31	1,331.57		

Inventories relating to Sputnik Light Vaccine

The Company and the Russian Direct Investment Fund (RDIF, Russia's sovereign wealth fund) had entered into a manufacturing and supply agreement to produce Russian Sputnik Vaccines during FY 2020-21. The agreement between RDIF and the Company was reached under the aegis of Eisai Healthcare LLP, RDIF's coordination partner for sourcing Sputnik vaccines in India. The above tactical opportunity with Sputnik Light's take or pay contract with RDIF did not materialise due to geopolitical conflicts between Russia and Ukraine and subsequent sanctions on Russia.

During the current year, the Company has made provision of balance inventories (including GST inputs credit on such inventories) of Rs. 1,159.21 million in the absence of any immediate alternate usage for these inventories.

8 Investments

Particulars	As at March 31, 2024			As at March 31, 2023		
	Rs. in Million			Rs. in Million		
	Qty	Current	Non-Current	Qty	Current	Non-Current
Other Investments (carried at fair value through profit and loss)						
Equity shares, unquoted						
AMP Energy C&I Private Limited ⁱⁱ	3,79,100	-	3.79	-	-	-
Compulsory Convertible Debentures						
AMP Energy C&I Private Limited ⁱⁱ	34,119	-	34.12	-	-	-
Investments carried at fair value:						
Mutual Funds, quoted						
SBI Onemight Fund Direct Growth ⁱⁱⁱ	-	-	-	12,333	45.00	-
SBI Magnum Ultra Short Duration Fund Direct Growth ⁱⁱⁱ	28,495	157.92	-	-	-	-
Total	4,41,714	157.92	37.91	12,333	45.00	-
Aggregate amount of quoted investments		28,495	157.92		12,333	45.00
Aggregate amount of unquoted investments		4,13,219	37.91		-	-
Aggregate amount of market value of investments		28,495	157.92		12,333	45.00

ⁱⁱ During the current year, the Company has invested an amount of Rs. 37.91 million in AMP Energy C&I Private Limited pursuant to Power Purchase Agreement and Securities Subscription and Shareholder's Agreement dated September 27, 2023. The Company's investment represents 10.13% ownership in fully diluted basis of the AMP Energy C&I Private Limited and the investment is in accordance with Electricity Act 2003 which stipulates consumer partners to have atleast 26% ownership in the electricity generating entity together with the other consumer partners. The Company's ownership is purely to meet the regulatory requirement and hence the Company has not consolidated the share of profit or loss of AMP Energy C&I Private Limited for the financial year March 31, 2024.

ⁱⁱⁱ The balances that meet the definition of cash and cash equivalents as per IndAS 7 Cash flow statement is (including liquid mutual funds of Rs. 157.92 million (As at March 31, 2023 : Rs. 45 million)).

9A Trade receivables

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. in Million		Rs. in Million	
	Current	Non-Current	Current	Non-Current
Trade receivables (unsecured)	552.39	-	38.22	-
Considered good	-	-	-	-
Considered doubtful	552.39	-	38.22	-
Provision for loss allowance	-	-	-	-
Total	552.39	-	38.22	-

Movement in provision for loss allowance is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	-
Provision for loss allowance	-	6.78
Written off during the year	-	(6.78)
Closing Balance	-	-



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Particulars	Not Due	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	403.87	77.91	57.92	6.48	6.18	0.03	552.39
(ii) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-	-
	403.87	77.91	57.92	6.48	6.18	0.03	552.39

Particulars	Not Due	Outstanding for following periods from due date of payment					As at March 31, 2023
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	22.87	14.10	1.03	0.19	-	0.03	38.22
(ii) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-	-
	22.87	14.10	1.03	0.19	-	0.03	38.22

9B Other financial assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Receivable towards sale of pharmaceutical facility (refer note 34)	-	-	-	-
Considered good	50.00	-	-	-
Considered doubtful	50.00	-	-	-
Provision for doubtful debts	-	-	-	-
Total	50.00	-	-	-

10A Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	0.66
Balances with banks	64.69	49.08
Total	64.72	49.74
The balances that meet the definition of cash and cash equivalents as per Ind AS 7 Cash flow statement is including liquid financial assets of Rs. 137.72 million (as at March 31, 2023 : Rs. 45 million)	222.64	94.74

10B Other balances with banks

Particulars	As at March 31, 2024	As at March 31, 2023
Balance held as margin money	-	-
Balance borrowed facilities with banks	538.56	748.53
Total	538.56	748.53

12 Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured:		
- Term loans from banks	121.04	2,848.75
Un-secured:		
- Non convertible debentures	2,099.70	500.00
- Loans from related parties (refer note 32)	495.18	-
Total	2,715.92	3,348.75
Current maturities of non-current borrowings (excluding working capital loans)	2,905.72	8,000.00
Total	5,621.64	8,366.91

Note 1

Details of security and terms of repayment of non-current borrowings

Terms of repayment and security - Loan 1	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	434.60
Current maturities of non-current borrowings	-	288.77
Security: The said loan is secured by first pari passu charge of movable and immovable assets of the Company including current assets and pledge of 30% shares in the Company held by Strides Pharma Science Limited		
Rate of interest: 3 month LIBOR + 365 bps per annum		
Repayment to be made on or 28 equal quarterly installments. The Company has prepaid the outstanding balance during the year (March 31, 2023: 10 installments)		
Strides Pharma Science Limited has provided corporate guarantee for the said loan		
Terms of repayment and security - Loan 2	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	194.49
Current maturities of non-current borrowings	194.49	110.21
Security: The said loan is secured by first pari passu charge of movable and immovable assets of the Company including current assets and pledge of 30% shares in the Company held by Strides Pharma Science Limited		
Rate of interest: 3 Base rate 0.35% + spread of 0.50% which is reset in lower at the end of every 12 months		
Repayment to be made on or 28 equal quarterly installments. The outstanding term as at March 31, 2024 are 7 installments (March 31, 2023: 11 installments)		
Strides Pharma Science Limited has provided corporate guarantee for the said loan		



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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Terms of repayment and security - Loan 3	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	879.97
Current maturities of non-current borrowings	878.89	380.60
<p>Security: The said loan is secured by first pari passu charge of movable and immovable assets of the Company including current assets</p> <p>Rate of interest: 9.55% linked to 3M IBL MCLR. MCLR to be reset on annual basis.</p> <p>Repayment to be made over 20 equal quarterly instalments. The outstanding term as at March 31, 2024 are 9 instalments. (March 31, 2023: 13 instalments).</p> <p>The loan is supported by corporate guarantee of Strides Pharma Science Limited.</p>		
Terms of repayment and security - Loan 4	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	-	512.73
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: Repo rate + Spread 1.5%</p> <p>Repayment to be made over 16 equal monthly instalments. The Company has repaid the outstanding balance during the year. (March 31, 2023: 3 instalments)</p> <p>The loan is supported by corporate guarantee of Strides Pharma Science Limited.</p>		
Terms of repayment and security - Loan 5	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	25.21	52.71
Current maturities of non-current borrowings	27.50	27.50
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 1-MCLR-1Y (marginal cost of fund based lending rate) plus Spread 1%. Spread will be reset by Bank at the end of every year</p> <p>Repayment to be made over 48 equal monthly instalments. The outstanding term as at March 31, 2024 are 23 instalments. (March 31, 2023: 35 instalments).</p> <p>The loan is supported by National Credit Guarantee Trustee Company</p>		
Terms of repayment and security - Loan 6	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	409.52
Current maturities of non-current borrowings	409.50	270.91
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 8.75% and the interest will be reset by the lender on annual basis</p> <p>Repayment to be made over 16 equal quarterly instalments. The outstanding term as at March 31, 2024 are 6 instalments. (March 31, 2023: 10 instalments)</p> <p>The loan is supported by corporate guarantee of Strides Pharma Science Limited.</p>		
Terms of repayment and security - Loan 7	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	546.84
Current maturities of non-current borrowings	-	1,374.78
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 7.50% and 0.55% above 6M MCLR</p> <p>Repayment to be made over 24 equal monthly instalments. The Company has prepaid the outstanding balance during the year. (March 31, 2022: 17 instalments)</p> <p>The loan is supported by corporate guarantee of Strides Pharma Science Limited.</p>		
Terms of repayment and security - Loan 8	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	185.79
Current maturities of non-current borrowings	-	63.70
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company and pledge of 30% shares in the Company held by Strides Pharma Science Limited.</p> <p>Rate of interest: Long term minimum lending rate plus 30 basis points per annum subject to a cap of 9.25%</p> <p>Repayment to be made over 48 equal monthly instalments. The Company has prepaid the outstanding balance during the year. (March 31, 2023: 47 instalments)</p>		
Terms of repayment and security - Loan 9	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	95.83	145.83
Current maturities of non-current borrowings	50.00	50.00
<p>Security: The said loan was secured by first pari passu charge of movable and immovable assets of the Company</p> <p>Rate of interest: 7.25% and Spread 1% and the interest rate and spread will be reset by Bank at the end of every year</p> <p>Repayment to be made over 48 equal monthly instalments. The outstanding term as at March 31, 2024 are 35 instalments. (March 31, 2023: 47 instalments)</p>		



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Terms of repayment and security - Non-convertible debentures - NCD 1	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	500.00	500.00
Current maturities of non-current borrowings	-	-
Security : Debentures are unsecured in nature and are backed by the personal guarantee of Mr. Arun Kumar Pillai. Rate of interest: 2.5% p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 7% p.a inclusive of coupon payments made. Repayment on 40th month from the date of allotment (i.e. July 03, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 2	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	67.50	-
Current maturities of non-current borrowings	-	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai. Rate of interest: 4 % p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 13% p.a inclusive of coupon payments made. Repayment on 36th month from the date of allotment (i.e. November 29, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 3	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	83.00	-
Current maturities of non-current borrowings	-	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai. Rate of interest: 4 % p.a with a maturity premium payable at the time of redemption such that IRR to the lender is 13% p.a inclusive of coupon payments made. Repayment on 36th month from the date of allotment (i.e. December 01, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 4	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai and corporate guarantee of Strides Pharma Science Limited. Rate of interest: 17% p.a with a maturity premium payable at the last date of twelve months commencing from date of allotment of the NCDs. Repayment on 12th month from the date of allotment (i.e. July 11, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 5	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited. Rate of interest: 17% p.a with a maturity premium payable at the last date of twelve months commencing from date of allotment of the NCDs. Repayment on 12th month from the date of allotment (i.e. July 13, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 6	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	250.00	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited. Rate of interest: 17% per annum payable at the last date of twelve months commencing from date of allotment of the NCDs. Repayment on 12th month from the date of allotment (i.e. July 13, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 7	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	-	-
Current maturities of non-current borrowings	500.00	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited. Rate of interest: 18% p.a. Interest payable last day of each quarterly period. Repayment on 12th month from the date of allotment (i.e. May 31, 2023)		
Terms of repayment and security - Non-convertible debentures - NCD 8	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	1,449.20	-
Current maturities of non-current borrowings	-	-
Security : Debentures are unsecured in nature. The debentures are backed by the personal guarantee of Mr. Arun Kumar Pillai & Corporate guarantee of Strides Pharma Science Limited. Rate of interest: 12.50% p.a. Interest payable last day of every month. Repayment of 50% of the outstanding amount on 24th month and remaining amount on 32nd month from the date of allotment (i.e. March 1, 2024)		



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Loan from Related Party 1	As at March 31, 2024	As at March 31, 2023
Loan from Related Party Security: The loan from related party is unsecured in nature. Rate of interest: 16.75% p.a. Repayment: Repayable within 6 months from the date of first drawn and at any time prior to the full repayment, the Lender may at its sole option and discretion, request the Borrower to convert all of the outstanding Loan Amount into non-convertible debentures ("NCD") and the tenure of the NCD is 6 months from the subscription date.	90.00	-
Loan from Related Party 2	As at March 31, 2024	As at March 31, 2023
Loan from Related Party Security: The loan from related party is unsecured in nature. Rate of interest: 15.40% p.a. Repayment: Repayable in full and shall be repaid on or before completion of 5 years from the date of first draw down (i.e. June 28, 2023) on such other date as may be mutually agreed by the parties.	495.18	-
Working capital Loan	As at March 31, 2024	As at March 31, 2023
Working capital loan - repaid in full during the year	-	983.96
Total Borrowings (refer note 1 below)	5,616.30	8,367.91

Particulars	As at March 31, 2024	As at March 31, 2023
Disclosed under non-current borrowings:		
-Term loan from Banks	121.04	2,849.75
-Non-convertible debentures	2,099.70	500.00
-Loan from related parties	495.18	-
Disclosed under current borrowings:		
-Current maturities of non-current borrowings	1,560.38	3,079.20
- Non convertible debentures	1,250.00	-
-Working capital loan	-	983.96
-Loan from related parties	95.74	955.00
Total	5,621.64	8,367.91

The Company has requested temporary relaxations for compliance with the financial covenants from the lenders for the years ended March 31, 2024 as these have not been met related to the above mentioned Loan 2, Loan 3 and Loan 6. Pending approval from lenders, the Company has classified the entire outstanding amount as current borrowings as loan agreement provides for call back if financial covenants are breached.

13 Lease liabilities

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
- Lease liabilities (refer note 30)	6.87	83.22	64.14	211.15
Total	6.87	83.22	64.14	211.15

14 Provisions

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Provision for employee benefits:				
- Gratuity (refer note 29)	4.44	23.96	2.61	21.50
- Compensated absences	38.54	-	35.22	-
Total	42.98	23.96	35.83	21.50



Onesource Specialty Pharma Limited (formerly known as Stelia Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

15 Current borrowings

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
	Current	Current
Term loan from Banks :-		
- Current maturities of non-current borrowings (refer note 12)	1,560.38	3,079.20
- Working capital loans	-	983.96
- Non convertible debentures	1,250.00	-
Term loan from Others :-		
- Loans from related parties (Refer Note 32)	95.34	955.00
Total	2,905.72	5,018.16

16 Trade payables

Particulars	Rs. in Million			
	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
- Total outstanding dues of micro and small enterprises	144.46	-	170.99	-
- Total outstanding dues of creditors other than micro and small enterprises	665.77	-	777.21	-
Total	810.23	-	948.20	-

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	7.29	101.54	26.04	9.59	-	144.46
(ii) Others	128.55	61.52	186.34	96.86	132.22	60.28	665.77
	128.55	68.81	287.88	122.90	141.81	60.28	810.23

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				As at March 31, 2023
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	8.57	143.30	19.12	-	-	170.99
(ii) Others	181.55	56.02	469.99	68.95	0.07	0.63	777.21
	181.55	64.59	613.29	88.07	0.07	0.63	948.20

Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year*	274.98	420.99
(ii) Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	12.53	42.02
(iii) The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed day	-	-
(iv) 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	23.12	13.47
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	95.74	60.09
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-

*Principal amount remaining unpaid to suppliers include Rs. 130.52 million (as at March 31, 2023 : Rs. 250 million) towards capital creditors

17 Other financial liabilities

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
	Current	Current
- Interest accrued but not due on borrowings	104.29	28.07
- Interest accrued on delayed payments to MSME vendors	95.74	60.09
- Creditors for capital supplies/services	631.72	1,677.15
- Deposits from Customers	187.64	-
- Payable to related parties (refer note 32)	548.96	200.23
Total	1,568.35	1,965.54

*Creditors for capital supplies/services include Rs. 130.52 million (as at March 31, 2023 : Rs. 250 million) payable towards to MSME vendors

18 Other liabilities

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
	Current	Current
- Advance from customers	864.60	541.76
- Statutory dues	47.58	18.97
- Grant from Biotechnology Industry Research Assistance Council	59.55	59.55
Total	971.73	620.28



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Rs. in Million

Note 12A:

Reconciliation between the opening and closing balances in balance sheet for financial liabilities arising from financing activities are given below:

Particulars	As at April 01, 2023	Cash changes	Non-cash changes	As at March 31, 2024
Current and Non-current borrowings	8,367.91	(2,807.02)	60.75	5,621.64
Interest accrued	88.16	(1,032.79)	1,144.66	200.03
Lease liabilities	275.29	(65.63)	(119.57)	90.09
Total	8,731.36	(3,905.44)	1,085.84	5,911.76

Particulars	As at April 01, 2022	Cash changes	Non-cash changes	As at March 31, 2023
Current and Non-current borrowings	11,542.71	(3,326.39)	151.59	8,367.91
Interest accrued	32.20	(1,052.91)	1,108.87	88.16
Lease liabilities	272.20	(85.10)	88.19	275.29
Total	11,847.11	(4,364.40)	1,348.65	8,731.36



(i) Reconciliation of the number of shares and amount outstanding

The Company has only once class of equity shares having a par value of Rs 1/- each. The holder of equity shares is entitled to one vote per share

(iii) Shares held by promoters at the end of the year:

(iii) Details of equity shares held by each shareholder holding more than 5% of share



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

11B Other equity

Rs. in Million

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
Securities premium account	A (i)	22,039.62	22,039.62
Retained earnings	A (ii)	(18,201.74)	(14,284.78)
Share based payment reserve	A (iii)	79.15	59.59
Total		3,917.03	7,814.43

Rs. in Million

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Reserves and surplus		
(i) Security premium account		
Opening balance	22,039.62	16,401.78
Add: Premium on equity shares issued during the year	-	5,637.84
Closing balance	22,039.62	22,039.62
(ii) Retained earnings		
Opening balance	(14,284.78)	(6,307.35)
Add: Loss for the year	(3,656.97)	(4,156.45)
Add: Loss on Discontinuing Operations	(254.68)	(3,841.85)
Add: Remeasurements of post employment benefit obligations - Recognised as other comprehensive income	(5.25)	4.75
Add: Exchange differences in translating the financial statements of foreign operations	(0.06)	16.12
Closing balance	(18,201.74)	(14,284.78)
(iii) Share based payment reserve		
Opening balance	59.59	-
Add: Charge for the year	19.56	59.59
Closing balance	79.15	59.59
Total reserves and surplus	3,917.03	7,814.43

Nature and purpose of reserves

(a) **Securities Premium** : Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(b) **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

(c) **Share based payment reserve**: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

19 Revenue from operations

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Sale of services - contract manufacturing and development fees	1,719.19	387.14
Total	1,719.19	387.14

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenues by Geography

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
India	1,183.16	266.11
Rest of the world	536.03	121.03
Total revenues by Geography	1,719.19	387.14

Geographical revenue is allocated based on the location of the customers

19.2 Contract balances

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Trade receivables*	552.39	38.22
Contract liabilities**	864.60	541.76

* Trade receivables are non-interest bearing.

** Contract liabilities are shown as advance from customers (refer note 18)

19.3 Set out below is the amount of revenue recognised from:

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Amount included in contract liabilities at the beginning of the year	178.43	46.40

20 Other income

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Interest income on financial assets at amortised cost	17.65	12.60
Interest Income on Tax Refund	-	2.07
Unwinding of discount on security deposit	1.52	1.12
Profit on sale of investments	7.57	1.15
Scrap sales	15.51	0.89
Proceeds from insurance claim against property, plant and equipment	-	9.03
Sundry Creditors written off	-	0.06
Total	42.25	26.92

21 Cost of materials consumed

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening stock	1,331.57	1,708.42
Add: Purchases	598.90	447.59
Less: Closing stock	112.31	1,331.57
Total	1,818.16	824.44
Less: Disclosed under discontinued operations	-	(620.33)
Less: Inventories written-off/provision disclosed as exceptional items (refer note 26)	(1,113.07)	-
Cost of materials consumed	705.09	204.11



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

22 Employee benefit expenses

Rs. in Million

Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Salaries and wages	686.79	742.82
Less : Amount included in the cost of qualifying assets	(5.17)	(176.82)
	681.62	566.00
Contributions to provident and other funds	44.23	31.77
Staff welfare expenses	48.20	70.65
Share based payment expenses	19.56	59.59
Total	793.61	728.01

23 Finance costs

Rs. in Million

Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Interest on borrowings (including exchange differences regarded as an adjustment to borrowing costs)	643.13	398.29
Less : Amount included in the cost of qualifying assets	(6.60)	(30.35)
	636.53	367.94
Interest expense on loan from related party	172.88	2.91
Interest on lease liability	8.93	6.45
Other borrowing cost - Guarantee commission, Bank charges etc	40.49	74.39
Interest on delayed payment to MSME vendors	35.65	23.76
Total	894.48	475.45

24 Depreciation and amortisation expenses

Rs. in Million

Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Depreciation on Property, plant and equipment (Refer Note 4A)	771.28	1,025.22
Depreciation on Right to use assets (Refer Note 4B)	41.83	73.98
Amortisation on Intangible assets (Refer Note 4D)	140.67	41.81
Amount charged to Statement of profit and loss	953.78	1,141.01
under continuing operations	762.93	656.80
under discontinued operations	190.85	484.21



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

25 Other Expenses

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Power & Fuel	201.30	200.85
Rates and taxes	95.64	8.78
Rent	26.85	10.84
Insurance	44.88	52.22
Repairs and maintenance:		
- Machinery	50.47	37.36
- Others	96.57	94.96
Manpower service	26.02	35.57
Housekeeping service	42.86	48.39
Freight and forwarding	3.98	82.89
Business promotion	5.04	10.44
Travelling and conveyance	9.09	11.52
Exchange fluctuation loss (net)	5.75	91.59
Printing and stationery	6.38	6.52
Communication	8.30	7.84
Security Charges	10.63	10.99
Office expense	1.02	2.09
Loss on sale of asset	58.08	-
Write-off of Property, Plant and Equipment	-	7.11
Boarding and lodging	2.38	8.73
Support service charges	229.63	138.14
Legal and professional fees	153.45	169.78
Auditors remuneration (refer note (i) below)	13.02	4.45
Regulatory charges	2.55	3.24
Gardening Charges	-	0.11
Water Charges	2.94	4.61
Gas Charges	1.30	-
Advance written off	0.73	5.26
Miscellaneous expenses	4.02	7.61
Total	1,102.88	1,061.89

Note

(i) Auditor's remuneration comprises (net of taxes) for:

Particulars	Rs. in Million	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Audit of standalone and consolidated financial statements (including quarterly limited reviews)	3.75	3.75
Audit / review of special purpose financial information	4.75	-
Audit fees of subsidiaries	0.66	0.41
Other services / certification services	3.50	0.12
Reimbursement of expenses	0.36	0.17
Total	13.02	4.45



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

26 Exception items

Particulars	Rs. in Million	
	Year ended	Year ended
	31-Mar-24	31-Mar-23
Provision related to Inventories (including GST inputs credits thereon) (refer note (i) below)	1,159.42	-
Write-off related to Inventories and other related balances of Akston Project (refer note (ii) below)	-	491.05
Intangibles under development written-off (refer note (iii) below)	-	953.20
Total	1,159.42	1,444.25

Note (i) :

The Company and the Russian Direct Investment Fund (RDIF, Russia's sovereign wealth fund) had entered into a manufacturing and supply agreement to produce Russian Sputnik Vaccines during FY 2020-21. The agreement between RDIF and the Company was reached under the aegis of Enso Healthcare LLP, RDIF's coordination partner for sourcing Sputnik vaccines in India. The above tactical opportunity with Sputnik Light's take or pay contract with RDIF did not fructify due to geopolitical conflicts between Russia and Ukraine and subsequent sanctions on Russia.

During the current year, the Company has made provision of balance inventories (including GST inputs credit of Rs. 46.14 million on such inventories) of Rs. 1,159.21 million in the absence of any immediate alternate usage for these inventories.

Note (ii):

The Company and Akston Biosciences Corporation entered into the License and Manufacturing Agreement dated October 20, 2021 to develop AKS-452 vaccine. During the previous year, the Company and Akston Bioscience Corporation entered into termination agreement whereby all the licenses granted to the Company are revoked and the Company does not have the right or obligation to commercialize the licensed product. Pursuant to such termination, the Company debited exceptional items of Rs. 491.05 million towards following:

- Write off of Intangibles under development relating to Akston amounting to Rs 200.59 million
- Write off Akston inventories amounting to Rs. 146.48 million and
- Allowance for doubtful advances given to Akston Bioscience Corporation Rs. 143.98 million.

Note (iii):

Pursuant to impairment assessment, intangibles under development was written off amounting to Rs. 953.20 million towards various products as exceptional items for the year ended 31 March 2023.

- 27** The Company's Contract Development and Manufacturing (CDMO) unit is set up as Export Oriented Unit (EOU) under Foreign Trade Policy 2015-20. Pursuant to this, the CDMO unit is required to be positive cumulative net foreign exchange earner within a period of five years from the commencement of production (i.e., within September 03, 2024). The management of the Company is confident of achieving the positive cumulative net foreign exchange position within the prescribed timelines.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note
No.

28 Contingent Liabilities and Capital Commitments (To the extent not provided for)

Rs. in Million		
Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):		
-Property, Plant and equipment	186.63	490.06
Total	186.63	490.06

Rs. in Million		
Particulars	As at March 31, 2024	As at March 31, 2023
Claims not acknowledged as debts by the Company	11,370.45	11,440.01
Total	11,370.45	11,440.01

a) Biolexis Pte Ltd, subsidiary of the Company, has received a claim of USD 136.32 million (Rs. 11,370.45 million) from Prestige Biopharma Limited (Prestige) which it has not acknowledged as debt. The Company has refuted all claims of Prestige and has communicated its rebuttal vide a formal response, summary of which is given below:

Biolexis Pte Ltd entered into a Term Sheet with Prestige in August 2021 to manufacture Sputnik Light Vaccine. Prestige had claimed that its Korean facility was suitable, operational, and ready for manufacturing the Vaccines, with the first batch due in October 2021. The agreement was executed based on the claims related to their capabilities as represented by Prestige to the Company, while a follow-on contract was subject to a four-way Contract Manufacturing Agreement (CMA) to be executed among the Company, Prestige, Enso (RDIF's logistics partner), and Limited Liability Company "Human Vaccine" (HV), the owners of the Intellectual Property for Sputnik Light Vaccine.

Based on the representations made by Prestige and considering that due to Covid-19 as travel was not allowed, the Company could not audit and inspect the facilities of Prestige as should be in the ordinary course of a contract of this nature. Acting in good faith, the Company, through its affiliate, paid USD 13,632,000 to Prestige on 17 August 2021, a reservation fee (Capacity Fee) for the capacity that Prestige claimed to have. Prestige also executed a letter of guarantee (Guarantee Letter) dated 16th August 2021, guaranteeing the prompt refund of the Advance Amount in case no manufacturing occurs within the agreed timelines.

In September 2021, Prestige informed the Company it would like to execute the CMA among Prestige, Enso, and the Company while awaiting the final contract that would include HV. Only a restricted virtual audit and prerecorded videos were provided by Prestige, which were insufficient to complete the site qualification. As the three-way CMA had set the revised production schedule for the Vaccines commencing from December 2021, it was obvious that Prestige was not ready with the facilities they claimed they had or would be made available when they had sought the Capacity Fees from the Company. This is further corroborated by the fact that even as of 27 December 2021, Prestige had not completed the qualification of the facility, which was a pre-requisite for any manufacturing activities. In the email from Prestige dated 1 September 2021, Prestige recorded having the Drug Product (DP) facility ready for installation by December 2021 and qualification scheduled by December 2021/ January 2022. Further, during the project calls and on 16 November 2021, Prestige informed the Company that the DP facility was not ready and that they would be finding a third-party DP site, clearly demonstrating that the previous representations were false.

The Company was also given to understand that the representatives from the HV had visited the manufacturing facility of Prestige, but no cell banks were provided to Prestige for the reasons best known to HV. In any viral vector production (Sputnik Light in this case), it is impossible to start the production without the availability of the Cell Banks.

Consequently, the Company was compelled to terminate the CMA on account of the issues mentioned above and sought the refund of Capacity Fees for which Prestige has issued the Guarantee Letter. At this time, Prestige attempted to raise an unjustifiable claim against the Company seeking USD 11,690,622 on account of procurement, storage fee, and technology transfer activities when none of these activities could have been commenced without the cell banks except for the storage of inventory provided by the Company in anticipation of manufacturing. As per the CMA, all materials were to be supplied by the Company, and at no time, Prestige had the need or authorization from the Company to procure any material, as it was clear that they were not ready for manufacturing nor did they have access to cell banks from HV.

Additionally, Prestige vide its letter dated 20 September 2022, has claimed that it suffered loss and damage due to the CMA contract being terminated by the Company. Through a letter dated 3 January 2023, Prestige's lawyers, TKQP Advocates, and Solicitors (TKQP), Prestige claimed that it had suffered a loss of profits estimated to be at least USD 136.32 million (Rs. 11,339.10 million). However, the loss of profits and indirect losses are specifically excluded from liabilities under the contract. Prestige nor its lawyers have provided any background on how they arrived at this loss and justified why they are entitled to it. Therefore these are arbitrary numbers and frivolous. None of these are payable or legally due under any of the terms of the CMA.

The Company has already taken legal recourse through DSK Legal to refute the claims that are false, baseless, and misconceived and has sought a 100% refund of the Capacity fee paid to Prestige.

The Company firmly believes that the claim is without any merit in law as :

- Prestige's facility was never ready to meet its commitments as agreed in the CMA.
- The Company never agreed with Prestige on the procurement of raw materials. Further, the Cell bank, the first input material for the production of vaccines, was never available from HV. Without cell banks, there was no need to procure any other raw materials. Without raw materials, Prestige could not have manufactured anything for Stelis. Yet they claim the cost of manufacture.
- Quantity, items, and value of Raw Material procurements were neither discussed nor accepted by Stelis. Prestige cannot procure Raw Materials on their own without Stelis' consent.
- Prestige and the Company never agreed on any project management or tech transfer fees, which are baseless claims. Analytical Tech Transfer was not even commenced because cell banks were unavailable, nor was the site ready.
- Manufacturing Process Tech Transfer was also not done or completed.



In the letter dated January 3, 2023, from TKQP, Prestige sought a meeting to resolve these issues for which the Company had to designate its officer and respond to their request within ten days. The Company immediately accepted the request. On January 17, 2023, Prestige issued a Notice of Mediation and proposes that parties submit a request to the Singapore International Mediation Centre and resolve the matter. However, the mediation did not succeed in resolving the issue. On June 05, 2023, Prestige has referred the matter to arbitration in accordance with the applicable arbitration rules under Singapore International Arbitration Centre (SIAC) at Singapore. Currently, this matter is pending before SIAC. The Company firmly believes that the claim from Prestige has no legal merit and that claims are frivolous.

(b) During the previous year, the Company had received claim from vendor amounting to Rs. 227.62 million towards pending take off of Sputnik related inventories by the Company. During the current year, pursuant to the proposal, the parties have agreed for the settlement for Rs. 110 million and paid by the Company.

(c) During the previous year, the Company had received claim from vendor amounting to Rs. 30.75 million towards pending payments against the purchase of materials from the vendor. The Company had accepted the claim to extent of Rs. 25.23 million and the remaining amount of Rs. 5.52 million was not acknowledged as debt by the company. During the year, the Vendor has agreed the claim amount for Rs. 25.23 million and the same is paid by the Company.

29 Employee Benefits Plans

Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. During the current year, the Company recognised Rs. 36.49 million (previous year: Rs. 30.56 Million) (including discontinued operations) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plan

The Company operates a gratuity plan, a defined employee benefit scheme covering qualifying employees. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
Discount rate(s)	7.17%	7.30%
Expected rate(s) of salary increase	10.00%	10.00%
Mortality Rate	As per IALM (2012-14) ultimate	As per IALM (2012-14) ultimate
Retirement age (years)	58 years	58 years

Amounts recognised in Statement of Profit and loss and in other comprehensive income in respect of this defined benefit plans are as follows:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Service cost:		
Current service cost	7.53	8.83
Net interest expense	1.66	1.41
Components of defined benefit costs recognised in statement of profit and loss	9.19	10.24
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	0.20	(1.12)
Actuarial (gains) / losses arising from experience adjustments	5.05	(3.63)
Components of defined benefit costs recognised in other comprehensive income	5.25	(4.75)
Total	14.44	5.49

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The above amounts are of including the discontinued operations.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	33.40	24.11
Fair value of plan assets	(5.00)	-
Funded status	28.40	24.11
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	28.40	24.11
Current liability	4.44	2.61
Non-current liability	23.96	21.50



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Movements in the fair value of plan assets:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	-	-
Remeasurement (gains)/losses	-	-
Remeasurement return on plan assets (excluding amounts included in net interest expense)	-	-
Contribution from employer	5.00	-
Actuarial (gains) / losses on plan assets	-	-
Benefits paid	-	-
Closing fair value of plan assets	5.00	-

Movements in the present value of the defined benefit obligation are as follows:

Particulars	Rs. in Million	
	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	24.11	22.95
Expenses Recognised in statement of profit and loss		
Current service cost	7.53	8.83
Interest cost	1.66	1.41
Acquisition / Divestiture	(1.13)	-
Remeasurement (gains)/losses		
Actuarial (gains) / losses arising from changes in financial assumptions	0.20	(1.11)
Actuarial (gains) / losses arising from experience adjustments	5.05	(3.63)
Benefits paid	(4.02)	(4.33)
Closing defined benefit obligation	33.40	24.11

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

Principal assumption			Gratuity	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	Year ended March 31, 2024	100bps	(1.49)	1.62
	Year ended March 2023	100bps	(1.15)	1.27
Salary growth rate	Year ended March 31, 2024	100bps	1.35	(1.31)
	Year ended March 2023	100bps	1.14	(1.07)

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.
There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future Cash outflows towards the plan are as follows-

Financial Year	Rs. in Million	
	Amount	
Year 1		4.44
Year 2		4.44
Year 3		5.91
Year 4		4.68
Year 5		4.25
Years 6 to 10		15.55

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended March 31, 2024, the Group has incurred an expense on compensated absences amounting to 18.10 million (March 31, 2023 : Rs. 18.45 million). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.



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No.

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Leases

Company as a lessee : The Company has entered into lease arrangements for land and office buildings. Refer Note 2.6 for the accounting policies adopted by Company respectively in respect of Ind AS 116.

Movement in lease liabilities during the year:

Particulars	March 31, 2024	March 31, 2023
Opening balance	275.29	272.20
Additions	32.26	60.97
Interest	19.99	27.22
Decreased on disposal of business	(171.82)	-
Lease payments	(65.63)	(85.10)
Closing balance	90.09	275.29
Current	6.87	64.14
Non-current	83.22	211.15

Maturity analysis of lease liabilities	March 31, 2024			
	1 year	More than 5 years	1 year	More than 5 years
Land	7.26	26.84	-	-
Factory Building	6.62	30.68	85.82	58.27

Note

The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

31 Loss per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit / (Loss) for continuing operations after tax attributable to equity holders of the Company (A) (Rs. in Million)	(3,656.97)	(4,156.45)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(88.02)	(104.38)
Diluted loss per share (Rs.) (A/C)	(88.02)	(104.38)
Profit / (Loss) for discontinued operations after tax attributable to equity holders of the Company (A) (Rs. in Million)	(254.68)	(3,841.85)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(6.13)	(96.49)
Diluted loss per share (Rs.) (A/C)	(6.13)	(96.49)
Profit / (Loss) after tax attributable to equity holders of the Company (A) (Rs. in Million)	(3,911.65)	(7,998.30)
Weighted average number of equity shares used as denominator in calculating basic loss per share (B)	4,15,46,510	3,98,18,561
Weighted average number of equity shares used as denominator in calculating diluted loss per share (C)	4,15,46,510	3,98,18,561
Basic loss per share (Rs.) (A/B)	(94.15)	(200.87)
Diluted loss per share (Rs.) (A/C)	(94.15)	(200.87)

During the current year and in the previous year, the Group has incurred losses and the diluted loss per share for the current and previous year is anti-dilutive and hence the basic and diluted loss per share are the same.



32 Related Party Listing :

Nature of Relationship Entity exercising significant influence	Name of Related Party
	Sri Lanka Plasma Science Limited
	Tamil Nadu Plasma Science Private Limited
	Myeloma Holdings Pte Ltd
	Avalon Pte Limited
	Natal Plasma Private Limited
	Chandrasekhar Prasad Private Limited
	Sri Lanka Plasma Science Pte Limited
	Sri Lanka Plasma Science Pte Limited
	Sri Lanka Plasma Science Pte Limited
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	Sri Lanka Plasma Science Pte Limited

Details of transaction between the Company and its related parties are disclosed below;

[illegible]

Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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Note

No.

33 Financial instruments

33.1 Categories of financial instruments

Rs. in Million		
Particulars	March 31, 2024	March 31, 2023
Financial assets:		
Measured at amortised cost		
(a) Trade receivables	552.39	38.22
(b) Cash and bank balances	603.28	798.27
(c) Other financial assets at amortised cost	41.11	100.30
Financial liabilities:		
Measured at amortised cost		
(a) Investments	157.92	45.00
Measured at amortised cost		
(a) Long term Borrowings	2,715.92	3,348.75
(b) Short term borrowings	2,905.72	5,018.16
(c) Lease Liabilities	90.09	275.29
(d) Trade payables	810.23	948.20
(e) Other financial liabilities	1,568.35	1,965.54

33.2 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities

Fair value hierarchy

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

33.2.1 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed that the carrying value of financial assets and financial liabilities (except borrowings) approximate the fair value in both of the years presented

The below table summarises the borrowings which are measured at amortised cost and for which fair values are disclosed, with corresponding carrying values:

Rs. in Million				
Particulars	March 31, 2024		March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Borrowings	5,621.64	5,695.23	8,366.91	8,426.95

33.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

33.3.1 Foreign currency risk management

The Company is exposed to foreign exchange risk due to:

- debt availed in foreign currency
- exposure arising from transactions relating to purchases, revenues, expenses, etc., to be settled (within and outside the group) in currencies other than the functional currency of the respective entities

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) as at the end of reporting period are as under:



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Note
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Amount receivable/(payable) Exposure to the Currency	March 31, 2024		March 31, 2023	
	In foreign Currency	In INR	In foreign Currency	In INR
USD	(6.73)	(512.34)	(28.01)	(2,302.68)
EUR	(0.18)	(15.74)	(0.80)	(71.87)
GBP	0.01	1.43	(0.12)	(12.17)
SGD	(0.16)	(9.59)	(0.05)	(2.94)
AED	0.00	0.09	0.00	0.04
CHF	(0.01)	(0.96)	(0.02)	(1.58)
RUB	(1.29)	(1.29)	(1.29)	(1.29)

33.3.2 Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include External Commercial Borrowings (ECBs) and payables to vendors. The Company considers US Dollar and the Euro to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against INR is given below. The impact of exposure to other currencies is negligible.

Particulars	Rs. in Million	
	Increase / (Decrease) in Profit	
	March 31, 2024	March 31, 2023
Appreciation in the USD	(25.62)	(115.13)
Depreciation in the USD	25.62	115.13
Appreciation in the EUR	(0.79)	(3.59)
Depreciation in the EUR	0.79	3.59

The impact on profit has been arrived at by applying the effects of appreciation / depreciation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies.

For the purposes of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of the respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at March 31, 2024.

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year.

33.3.3 Interest rate risk management

Interest rate risk arises from borrowings. Debt issued at variable rates exposes the company to cash flow risk. The company mitigates its interest rate risk by entering into interest rate Swap contracts. Debt issued at fixed rate exposes the company to fair value risk.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	Rs. in Million	
	March 31, 2024	March 31, 2023
Fixed-rate instruments		
<i>Financial assets</i>		
Balance with banks held as margin money	538.56	748.53
	538.56	748.53
Variable-rate instruments		
<i>Financial liabilities</i>		
Borrowings from banks	5,621.64	8,366.91
	5,621.64	8,366.91



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
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**Note
No.**

33.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

33.5 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

33.5.1 Liquidity analysis for Non-Derivative Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial Liabilities	Due within (years)						Total	Rs. in Million Carrying Amount
	1	1 to 2	2 to 3	3 to 4	4 to 5	beyond 5		
Bank & other borrowings								
- As on March 31, 2024	3,354.18	1,446.24	894.81	-	-	-	5,695.23	5,621.64
- As on March 31, 2023	5,552.26	1,765.36	905.10	204.23	-	-	8,426.95	8,366.91
Interest payable on borrowings								
- As on March 31, 2024	104.29	-	-	-	-	-	104.29	104.29
- As on March 31, 2023	28.07	-	-	-	-	-	28.07	28.07
Lease Liabilities								
- As on March 31, 2024	13.88	14.64	15.44	16.29	11.16	49.92	121.33	90.09
- As on March 31, 2023	85.82	98.80	98.09	7.43	7.88	58.27	356.29	275.29
Trade and other payable								
- As on March 31, 2024	2,274.29	-	-	-	-	-	2,274.29	2,274.29
- As on March 31, 2023	2,885.67	-	-	-	-	-	2,885.67	2,885.67



Stelis Biopharma Limited

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note No.

34 Discontinued Operations

During the year, for strategic business reasons, the Company entered into a Business Transfer Agreement dated September 01, 2023 (Amendment to Business Transfer Agreement dated December 01, 2023 and December 21, 2023) with Syngene International Limited for sale of its unit 3- Multimodal facility on a slump sale basis for a consideration of Rs. 6,161.41 million. The transaction recommended by Board of Directors is approved by shareholders in the Extra-Ordinary General Meeting held on July 04, 2023.

The transaction is completed during the year.

Particulars	Year Ended	Year Ended
	March 31, 2024	March 31, 2023
Revenue	35.35	23.60
Other Income	16.67	19.73
Total revenue from discontinued operations (I)	52.02	43.33
Depreciation and amortisation expense	190.85	484.21
Other expenses charged-off to the Statement of Profit and Loss	555.95	1,398.73
Exceptional items gain / (loss) (net)	161.52	2,002.24
Total expenses from discontinued operations (II)	908.32	3,885.18
Loss from discontinued operations (III = I - II)	(856.30)	(3,841.85)
Gain / (loss) on disposal of:		
- Unit 3 Multimodal Facility	601.62	-
Net gain / (loss) on disposal of businesses (IV)	601.62	-
Loss from discontinued operations before tax (V = III + IV)	(254.68)	(3,841.85)
Attributable income tax expense (VI)	-	-
Loss from discontinued operations after tax (V - VI)	(254.68)	(3,841.85)

(c) Gain on disposal

Particulars	Amount
Consideration (net of Rs. 50 million of provision) *	6,111.41
Net assets disposed off	5,509.79
Gain on disposal	601.62

* Purchaser has retained Rs. 100 million which shall be paid post completion of certain closing conditions and the Management has accounted for provision of Rs. 50 million which is management's best estimate of the recoverability of the pending amount.



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Note
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35 Additional information as required by Paragraph 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As on and for the period ended March 31, 2024

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent - Stelis Biopharma Limited	100.45%	3,974.94	99.81%	(3,904.07)	98.87%	(5.25)	99.80%	(3,909.32)
Biolexis Pte Limited	-0.22%	(9.03)	0.16%	(6.45)	1.13%	(0.06)	0.16%	(6.51)
Biolexis Private Limited	-0.22%	(8.78)	0.03%	(1.13)	0.00%	-	0.03%	(1.13)
	100%	3,957.13	100%	(3,911.65)	100%	(5.31)	100%	(3,916.96)

As on and for the year ended March 31, 2023

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent - Stelis Biopharma Limited	100.16%	7,867.14	91.65%	(7,330.08)	22.76%	4.75	91.83%	(7,325.33)
Biolexis Pte Limited	-0.03%	(2.28)	8.22%	(657.79)	77.24%	16.12	8.04%	(641.67)
Biolexis Private Limited	-0.13%	(10.33)	0.13%	(10.43)	0.00%	-	0.13%	(10.43)
	100%	7,854.53	100%	(7,998.30)	100%	20.87	100%	(7,977.43)



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Note
No.

36 Deferred tax asset :

The Parent has recognised the arising deferred tax asset on such losses to the extent of the corresponding deferred tax liability arising on the difference between the book balance of property, plant and equipment and other intangible assets and the written down value of such fixed assets under Income Tax and the provision for the employee benefits. With regard to the balance of the deferred tax assets, in the absence of reasonable certainty that future taxable profits would be available for set off of such deferred tax assets, the Company has not recognized any deferred tax asset as at March 31, 2024.

(a) Major components of tax expense/(income) :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Current Income Tax :		
Current income tax expense	-	-
(ii) Deferred Tax :		
Tax expense on origination / reversal of temporary differences	-	-
Income tax expense reported in the Statement of Profit and Loss	-	-

(b) Deductible temporary differences for which no deferred tax asset is recognised in the Consolidated Balance Sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax assets/(liabilities) arising on account of:		
Unabsorbed brought forward losses and unabsorbed depreciation	5,723.78	5,720.14
Deductible temporary difference	(478.07)	(1,440.53)
Net Deferred tax assets not recognised in the Balance Sheet	5,245.71	4,279.61

37 Segment Reporting:

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and non current assets in individual segments.

The Company's reportable segment are as follows; "Unit 1 - R&D and Unit 2 : CDMO-1 (Contract Development & Manufacturing Organization) and "Unit-3 : Multimodal Facility and CDMO-2" (divested during the current period refer note 34)

(i) Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	1,719.19	387.14
Unit 3 : Multimodal facility and CDMO - 2	35.35	23.60
Total	1,754.54	410.74

(ii) Profit or loss before tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	(3,656.97)	(4,156.45)
Unit 3 : Multimodal facility and CDMO - 2	(254.68)	(3,841.85)
Total	(3,911.65)	(7,998.30)

(iii) Non-current assets*

Particulars	As at March 31, 2024	As at March 31, 2023
Unit 1 - R&D and Unit 2 : CDMO-1	10,544.02	10,145.62
Unit 3 : Multimodal facility and CDMO - 2	-	6,812.34
Unallocated Assets	737.17	745.78
Total	11,281.19	17,703.74

*Non-current assets do not include financial assets under financial instruments



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Geographical Information

(i) Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	1,183.16	266.11
Outside India	536.03	121.03
Total	1,719.19	387.14

(ii) Revenue from discontinued operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	35.35	23.60
Outside India	-	-
Total	35.35	23.60

(iii) Non-current assets*

Particulars	As at March 31, 2024	As at March 31, 2023
India	11,281.19	17,703.74
Total	11,281.19	17,703.74

*Non-current assets do not include financial assets under financial instruments.

- 38 The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.
- 39 **Other Statutory Information**
- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any transactions with companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Company has borrowings from banks on the basis of security of current assets. the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts.
- (g) The company has not been declared willful defaulter by any bank or financial Institution or other lender.
- (h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 40 **Details of the employee share option plan of the Company:**
- On May 27, 2021, pursuant to shareholders approval at the extraordinary general meeting held, the Company has declared the ESOPs titled "Stelis ESOP Scheme 2021". Options not exceeding 5% of the paid-up equity capital of the Company on a fully diluted basis are covered under the plan which are convertible into equivalent equal number of equity shares of the Company. The Nomination and remuneration Committee ('NRC') will select and approve eligible Employees to whom Options be granted and to determine number of Options to be granted to an Employee.
- Options under this program are granted to employees at an exercise price periodically determined by the NRC. All stock options have a four-year vesting term. The options vest and become fully exercisable at the rate of 10% in the first year, 15% in the second year, 25% in the third year and 50% in the fourth year of the vesting period from the date of grant. These options are exercisable within 30 days from the date of intimation by NRC about the occurrence of the Liquidity Event or such other time period as may be determined by the NRC within which the Optionee should Exercise his right to apply for the issue of Shares against the Vested Option pursuant to the Scheme.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Under the employee stock purchase plan of "Stelis ESOP Scheme 2021", employees may purchase shares of Stelis Biopharma at Rs 278 subject to terms and conditions of the scheme. On June 7, 2022, October 21, 2022 & January 20, 2023 the Company granted options under said scheme for eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The Company has amortised the fair value of option after applying an estimated forfeiture rate over the vesting period.

a) The details of fair market value of the options and the exercise price is as given below:

Grant Date	June 7, 2022	October 21, 2022
Number of options (Nos)	4,42,700	1,06,900
Fair market value of option at grant date (Rs)	372.84	372.70
Fair market value of shares per option at grant date (Rs)	555.00	555.00
Vesting period	4 years from the grant date	4 years from the grant date
Exercise price (Rs)	278.00	278.00

Grant Date	January 20, 2023
Number of options (Nos)	65,300
Fair market value of option at grant date (Rs)	367.30
Fair market value of shares per option at grant date (Rs)	555.00
Vesting period	4 years from the grant date
Exercise price (Rs)	278.00

b) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	(Options in numbers)	
	As at 31 March, 2024	As at 31 March, 2023
Outstanding at the beginning of the year	4,99,800	-
Granted during the period/year	-	6,14,900
Lapsed/forfeited during the period/year	-2,02,300	-1,15,100
Vested during the period/year	-	-
Exercised during the period/year	-	-
Outstanding at end of the period/year	2,97,500	4,99,800
Exercisable at end of the period/year	2,97,500	4,99,800

c) The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant Date	June 7, 2022	October 21, 2022
Number of options	4,42,700	1,06,900
Risk Free Interest Rate	7.08%	7.28%
Exercise period (years)	4.00	4.00
Expected Volatility	49.81%	45.93%
Expected Dividend Yield	0.00%	0.00%

Grant Date	January 20, 2023
Number of options	65,300
Risk Free Interest Rate	7.11%
Exercise period (years)	4.00
Expected Volatility	45.84%
Expected Dividend Yield	0.00%

The company recognised Rs. 19.56 million (previous year: Rs. 59.59 million) towards share based payment expenses in the Statement of Profit and Volatility is arrived through annualised standard deviation (market capitalisation weighted) of the daily returns of the equity shares of the specified benchmark companies on the Bombay Stock Exchange with the term equivalent to the expected term of the options.



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Note No.	As at March 31, 2024	As at March 31, 2023	Change	Ratios have a variance of >25% due to
41 Ratio Analysis				
Current Ratio - in times (A) / (B)	0.28	0.26	6%	Variance <25% and hence not applicable
Current Assets (A)	1,763.81	2,284.04		
Current Liabilities (B)	6,305.88	8,652.15		
<i>Current Assets is defined as Inventories, Trade receivables, Cash and cash equivalents, Other bank balances, Current loans, Other current financial assets and Other current assets</i>				
<i>Current Liabilities is defined as Current borrowings, Current lease liabilities, Trade payables, Other current financial liabilities, Current provisions, Current tax liabilities and Other current liabilities</i>				
Debt-Equity Ratio - in times (C) / (D)	1.44	1.10	31%	The Company is in losses and hence the ratio has increased.
Debt (C)	5,711.73	8,642.20		
Equity (D)	3,957.13	7,854.53		
<i>Debt is defined as non-current borrowings, current borrowings and lease liability (current and non-current).</i>				
<i>Equity is defined as Equity share capital and Other equity.</i>				
Debt Service Coverage Ratio - in times (E) / ((F) + (G))	NA	NA		The Company is in losses and hence the debt service coverage ratio is not applicable
<i>Earnings before interest, taxes, depreciation and amortisation is defined as:</i>				
<i>Profit for the period year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income</i>				
<i>Debt repayment is defined as actual non-current borrowings repaid during the period year</i>				
<i>Interest payments is defined as actual interest paid on borrowings during the period year</i>				
Return on Equity ratio (H) / (I)	-98.85%	-101.83%	-3%	Variance <25% and hence not applicable
Return on Equity ratio (Tangible) (H) / (I)	-98.85%	-101.83%	-3%	
Net profit (H)	(3,911.65)	(7,998.30)		
Equity (I)	3,957.13	7,854.53		
Equity (Tangible) (I)	3,957.13	7,854.53		
<i>Net profit is defined as Profit for the period year after tax</i>				
<i>Equity is defined as Equity share capital and Other equity.</i>				
<i>Equity Tangible is defined as Equity share capital and Other equity less Goodwill</i>				
Inventory turnover ratio (K) / (L)	0.98	0.12	710%	Increase is due to increase in consumption on account of increase in revenues and decrease in the inventory balances due to write-off.
Cost of goods sold (K)	705.09	246.22		
Average Inventory (L)	721.94	2,043.18		
<i>Cost of goods sold is defined as Consumables during the year</i>				
<i>Average Inventory is defined as average of inventories as at the beginning and as at the end of the period year.</i>				
Trade receivables turnover ratio (M) / (N)	5.94	2.99	99%	Increase is due to increase in revenues during the current period.
Sales Turnover (M)	1,754.54	410.74		
Average Trade receivables (N)	295.31	137.33		
<i>Sales Turnover is defined as Sale of products and Sale of services</i>				
<i>Average Trade receivables is defined as average of Trade receivables as at the beginning and as at the end of the period year.</i>				
Trade payables turnover ratio (O) / (P)	0.80	0.31	156%	Increase is due to the increase in the consumption during the current period.
Cost of goods sold (O)	705.09	246.22		
Average Trade payables (P)	879.22	785.44		
<i>Cost of goods sold is defined as Consumables during the year</i>				
<i>Average Trade payables is defined as average of Trade payables as at the beginning and as at the end of the period year.</i>				
Net capital turnover ratio (Q) / (R)	(0.39)	(0.06)	499%	Decrease is due to increase in revenue from operations.
Sales Turnover (Q)	1,754.54	410.74		
Working Capital (R)	(4,342.07)	(6,368.11)		
<i>Sales Turnover is defined as Sale of products and Sale of services</i>				
<i>Equity is defined as Equity share capital and Other equity.</i>				
Net profit ratio (S) / (T)	-215.93%	-1748.64%	-88%	Decrease is due to increase in revenues and decrease in exceptional losses.
Net profit (S)	(3,911.65)	(7,998.30)		
Gross Revenue (T)	1,811.57	457.40		
<i>Net profit is defined as Profit for the period year after tax</i>				
<i>Gross Revenue is defined as Revenue from operations and other income</i>				



Onesource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Return on capital employed (U) / (V)	-28.29%	-41.16%	-31%	Decrease is due to increase in revenues and decrease in exceptional losses.
Return on capital employed (Tangible) (U) / (W)				
Earnings Before Interest and Taxes (U)	(2,735.50)	(6,790.67)		
Capital Employed (V)	9,668.86	16,496.73		
Capital Employed Tangible (W)	9,668.86	16,496.73		

Earnings before interest and taxes is defined as:

Profit for the period, year before exceptional items and taxes (add) Finance costs (less) interest income

Capital employed is defined as Equity and Debt

Capital employed Tangible is defined as Equity and Debt less Goodwill

- 42 With effect from 1 April 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts.

The Parent and its subsidiary, uses accounting software for maintaining the books of account which has a feature of recording audit trail and has defined process to enable audit trail of books of accounts and has enabled the feature of recording audit trail (edit log) facility except for the following

- in respect of accounting software used by the Parent, audit trail feature was not enabled for certain direct changes to tables at the application level for the period April 1, 2023 to March 31, 2024.
- in respect of a software operated by a third party software service provider used by the Parent for maintaining payroll records, independent auditor's system and organisation controls report does not cover audit trail related reporting for the period from January 01, 2024 to March 31, 2024.

The Management is of the view that this does not have any impact on its Financials Statements for the year ended March 31, 2024.

- 43 **Approval of Consolidated Financial Statements**

The Company's Consolidated Financial Statements are approved for issue by the board of directors on May 17, 2024

For and on behalf of Board of Directors



P R Kannan
CFO & Executive Director
DIN : 03435209

Place : Bengaluru
Date : May 17, 2024



Neeraj Sharma
Managing Director
DIN : 09402652

Place : Bengaluru
Date : May 17, 2024

Allada Trisha
Company Secretary
Membership Number : A47635

Place : Bengaluru
Date : May 17, 2024



DCS/AMAL/TL/R37/3174/2024-25

May 21, 2024

The Company Secretary,
Strides Pharma Science Ltd
 201, Devavrata, Sector - 17, Vashi,
 Navi Mumbai, Maharashtra, 400703

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement amongst Strides Pharma Science Limited and Sterisience Specialties Private Limited and Stelis Biopharma Limited and their respective shareholders

We are in receipt of the Scheme of Arrangement amongst Strides Pharma Science Limited (SPSL/Demerged Company 1) and Sterisience Specialties Private Limited (SSPL/ Demerged Company 2) and Stelis Biopharma Limited (SBL/ Resulting Company) and their respective shareholders filed by **Strides Pharma Science Ltd**, as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and November 17, 2022 read with SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37.59A,94(2) & 94A(2) of SEBI (LODR) Regulations 2015 (LODR Regulations); SEBI vide its letter dated May 17, 2024 has inter alia given the following comment(s) on the draft Scheme of Arrangement:

1. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
2. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
3. "Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company"
4. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
5. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
6. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders."
7. "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
8. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
9. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."

Page 1 of 4

10. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
11. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
12. "Company is advised to disclose the following as a part of the Explanatory Statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, to enable them to make an informed decision:
 - i. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme of arrangement
 - ii. A write up on the history of the demerged undertakings
 - iii. The latest Network Certificate along with the statement of assets and liabilities of companies involved in the scheme of arrangement viz. SPSL, SSPL and BPL for both pre and post the scheme of arrangement
 - iv. Comparison of revenue and networth of demerged undertakings with the total revenue and net worth of the listed / demerged company for the last three financial years
 - v. Reasons along with the details on classification and reclassification of shareholders of SPSL & SSPL and SBL
 - vi. The need, rationale, synergies of the scheme along with its impact on the shareholders
 - vii. The Company shall ensure that the additional information submitted to the Stock Exchange as per point no 29 of the queries raised on October 05, 2023 on the BSE portal shall form part of disclosures to the shareholders."
13. "Company shall ensure that applicable additional information, if any to be submitted to SEBI along with draft scheme of arrangement as advised via query no 29 raised by the Exchange on the BSE Listing Portal on October 05, 2023 shall form part of disclosures to the shareholders."
14. "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

However, the listing of equity shares of Stelis Biopharma Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular, No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

Further, Stelis Biopharma Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.



The Company shall fulfill the Exchange's criteria for listing the securities of such Company and also comply with other applicable statutory requirements. However, the listing of shares of Stelis Biopharma Limited is at the discretion of the Exchange. In addition to the above, the listing of Stelis Biopharma Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Stelis Biopharma Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Stelis Biopharma Limited in line with the details required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Stelis Biopharma Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - "There shall be no change in the shareholding pattern of Stelis Biopharma Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.



Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Marian Dsouza', is positioned above the printed name.

Marian Dsouza
Senior Manager

A handwritten signature in blue ink, appearing to read 'Tanmayi Lele', is positioned above the printed name.

Tanmayi Lele
Assistant Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/37742

May 21, 2024

The Company Secretary
Strides Pharma Science Limited
Strides House, Bilekahalli,
Bannerghatta Road,
Bengaluru- 560076

Kind Attn.: Ms. Manjula Ramamurthy

Dear Madam,

Sub: Observation Letter for draft Scheme of Arrangement amongst Strides Pharma Science Limited (SPSL/ Demerged Company 1), Steriscience Specialties Private Limited (SSPL/Demerged Company 2) and Stelis Biopharma Limited (SBL/Resulting Company) and their respective shareholders and creditors.

We are in receipt for draft Scheme of Arrangement amongst Strides Pharma Science Limited (“Strides” or “Transferor Company 1” or “Demerged Company 1”) and Steriscience Specialties Private Limited (“Steriscience” or “Transferor Company 2” or “Demerged Company 2”) and Stelis Biopharma Limited (“Stelis” or “Transferee Company” or “Resulting Company”) and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder vide application dated September 28, 2023.

Based on our letter reference no. NSE/LIST/37742 dated March 18, 2024, submitted to SEBI pursuant to SEBI Master Circulars dated June 20, 2023 read with Regulation 37 and 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated May 17, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*

This Document is Digitally Signed

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra
India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

Bandra (E), Mumbai - 400 051
Signer: DIPTI VIPUL CHINCHHEDE
Date: Tue, May 21, 2024 18:22:01 IST
Location: NSE



Non-Confidential

- c) *The Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d) *The Company shall ensure that information pertaining to all the Unlisted Companies, if any, involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.*
- g) *The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form.*
- h) *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- i) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- j) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k) *The Company shall ensure to comply with all the applicable provisions under the Companies Act, 2013 and the rules and regulations issued thereunder, including obtaining the consent from the creditors for the proposed scheme.*
- l) *The Company shall ensure that the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision:*
- (i) *details of assets, liabilities, net worth, revenue of the companies involved in the scheme, for both pre and post scheme of arrangement,*
 - (ii) *a write up on the history of the demerged undertakings*

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKEDE
Date: Tue, May 21, 2024 18:22:01 IST
Location: NSE

- (iii) *latest net worth certificate along with statement of assets and liabilities of companies involved in the scheme of arrangement viz. SPSL, SSPL and SBL for both pre and post the scheme of arrangement,*
 - (iv) *comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged company for last three financial years,*
 - (v) *reasons along with details on classification and reclassification of shareholders of SPSL & SSPL in SBL*
 - (vi) *the need, rationale and synergies of the scheme along with its impact on the shareholders*
- m) *The Company shall ensure that applicable additional information sought by Stock Exchanges letter dated October 04, 2023 (point no. 10) shall form part of disclosures to the shareholders.*
- n) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of the Resulting Company is at the discretion of the Exchange.

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKEDE
Date: Tue, May 21, 2024 18:22:01 IST
Location: NSE

Non-Confidential

The listing of Resulting Company pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Resulting Company and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc.”

2. To publish an advertisement in the newspapers containing all the information about Resulting Company in line with the details required as per SEBI Master Circular dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Resulting Company to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
 - a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”
 - b) There shall be no change in the shareholding pattern or control in Resulting Company between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from May 21, 2024, within which the Scheme shall be submitted to NCLT.

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Signer: DIPTI VIPIL CHINCHHEDE
Date: Tue, May 21, 2024 18:22:01 IST
Location: NSE

Non-Confidential

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKHEDE
Date: Tue, May 21, 2024 18:22:01 IST
Location: NSE

Non-Confidential

October 31, 2023

The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Madam/ Sir,

Sub.: Application for in-principle approval to Scheme of Arrangement amongst Strides Pharma Science Limited and Steriscience Specialties Private Limited and Stelis Biopharma Limited and their respective shareholders ('Draft Scheme') pursuant to Section 230 to 232 read with other applicable provisions of the Companies Act, 2013.

Ref: SEBI Master Circular no. SEBI/ HO/ CFD/ POD-2/ P/ CIR/ 2023/ 93 dated June 20, 2023 (SEBI Circular)

This has reference to the captioned application filed by the Company on September 28, 2023, and subsequently hosting of the Draft Scheme related documents on BSE Website on October 5, 2023.

In terms of the SEBI Circular, Company is required to submit a Complaints Report on the Draft Scheme within 7 days of expiry of 21 days from the date of the hosting of the Scheme on website of BSE.

Accordingly, please find enclosed the Complaints Report for the period from October 5, 2023, upto October 26, 2023.

As detailed in the annexed Complaints Report, the Company has received NIL complaints/ comments from the shareholders on the draft Scheme.

You are requested to kindly take the same on record.

Thanks & Regards,
For Strides Pharma Science Limited


Manjula Raghuramurthy
Company Secretary
ICSI Membership No: A30515



Encl. as above

Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

Corp. Off: Strides House, Bilkali Hall, Bannerghatta Road, Bengaluru - 560076, India, Tel: +91 80 6784 0000
Regd. Off: 201, Devavayata, Sector 17, Vashi, Navi Mumbai - 400 703, India, Tel: +91 22 2789 2924 / 3199
corpcomm@strides.com | www.strides.com

Complaints Report
Part A

#	Particular	Number
1	Number of complaints received directly	NIL
2	Number of complaints forwarded by Stock Exchanges/ SEBI	NIL
3	Total Number of complaints/comments received (1+2)	NIL
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

Part B

#	Name of complainant	Date of complaint	Status (Resolved/ Pending)
NOT APPLICABLE			

For Strides Pharma Science Limited,

Manjula - R.

Manjula Ramamurthy
Company Secretary
ICSI Membership No: A30515


Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

Corp. Off: Strides House, Bilekahalli, Bannerghatta Road, Bengaluru - 560076, India, Tel : +91 80 6784 0000

Regd. Off: 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, India, Tel : +91 22 2789 2924 / 3199

corpcomm@strides.com | www.strides.com

November 9, 2023

**The Manager – Listing Compliance
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai - 400 051.**

Dear Madam/ Sir,

Sub: Application for in-principle approval to Scheme of Arrangement amongst Strides Pharma Science Limited and Steriscience Specialties Private Limited and Stelis Biopharma Limited and their respective shareholders ('Draft Scheme') pursuant to Section 230 to 232 read with other applicable provisions of the Companies Act, 2013.

Ref: SEBI Master Circular no. SEBI/ HO/ CFD/ POD-2/ P/ CIR/ 2023/ 93 dated June 20, 2023 (SEBI Circular)

This has reference to the captioned application filed by the Company on September 28, 2023, and subsequently hosting of the Draft Scheme related documents on NSE Website on October 16, 2023.

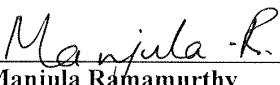
In terms of the SEBI Circular, Company is required to submit a Complaints Report on the Draft Scheme within 7 days of expiry of 21 days from the date of the hosting of the Scheme on website of NSE.

Accordingly, please find enclosed the Complaints Report for the period from October 16, 2023, upto November 6, 2023.

As detailed in the annexed Complaints Report, the Company has received NIL complaints/ comments from the shareholders on the draft Scheme.

You are requested to kindly take the same on record.

**Thanks & Regards,
For Strides Pharma Science Limited**



**Manjula Ramamurthy
Company Secretary
ICSI Membership No: A30515**



Encl. as above

Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

Corp. Off: Strides House, Bilekahalli, Bannerghatta Road, Bengaluru - 560076, India, Tel : +91 80 6784 0000

Regd. Off: 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, India, Tel : +91 22 2789 2924 / 3199

corpcomm@strides.com | www.strides.com

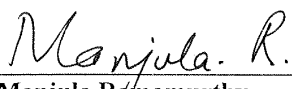
Complaints Report
Part A

#	Particular	Number
1	Number of complaints received directly	NIL
2	Number of complaints forwarded by Stock Exchanges/ SEBI	NIL
3	Total Number of complaints/comments received (1+2)	NIL
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

Part B

#	Name of complainant	Date of complaint	Status (Resolved/ Pending)
NOT APPLICABLE			

For Strides Pharma Science Limited,


Manjula Ramamurthy
Company Secretary
ICSI Membership No: A30515


Strides Pharma Science Limited
CIN: L24230MH1990PLC057062
Corp. Off: Strides House, Bilekahalli, Bannerghatta Road, Bengaluru - 560076, India, Tel : +91 80 6784 0000
Regd. Off: 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, India, Tel : +91 22 2789 2924 / 3199
corpcomm@strides.com | www.strides.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STRIDES PHARMA SCIENCE LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON SEPTEMBER 25, 2023 AT STRIDES HOUSE, BILEKAHALLI, BANNERGHATTA ROAD, BENGALURU – 560 076, INDIA.

1. The Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1 or Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Stelis Biopharma Limited ("Stelis" or "Transferee Company" or "Resulting Company"), (collectively referred to as "Companies") and their respective shareholders ("Draft Scheme") pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder ("Act"), read with sections 2(1B), 2(19AA) and other applicable provisions of the Income-tax Act, 1961 and read together with Master Circular No. SEBI/ HO/ CFD/ POD-2/ P/CIR/ 2023/ 93 dated June 20, 2023, on scheme of arrangements by listed entities ("SEBI Circular"), issued by the Securities Exchange and Board of India ("SEBI").
2. The Scheme provides for, *inter alia*:
 - (a) Demerger of the identified CDMO Business and Soft Gelatin Business of Strides (as more explicitly defined in the Scheme) into Stelis;
 - (b) Demerger of the Identified CDMO Business of Steriscience (as more explicitly defined in the Scheme) into Stelis;
3. The Board at its meeting held on September 25, 2023 has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
4. As per section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular to the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
 - (a) the draft of the proposed Scheme;
 - (b) Valuation Report dated September 25, 2023, issued by PwC Business Consulting Services LLP, Registered Valuer (IBBI Registration No. IBBI/ RV-E/ 02/ 2022/ 158) for the determination of the share entitlement ratios under the Draft Scheme ("**Valuation Report**");
 - (c) Fairness Opinion dated September 25, 2023, from Jefferies India Private Limited, a SEBI registered Category-I Merchant Banker (Registration Number – INM000011443), confirming that the share exchange ratios in the Valuation Report are fair to the Companies and their respective shareholders ("**Fairness Opinion**");
 - (d) the report dated September 25, 2023 of the Committee of the Independent Directors of the Board ("**Independent Directors Report**"), recommending the Scheme, after taking into consideration, *inter-alia*, the Valuation Report, the Share Exchange Ratios, the Fairness Opinion and that the Scheme is not detrimental to the interest of the shareholders of the Company;



Strides Pharma Science Limited

CIN : I24230MH1996PLC057062

Regd. Off : 201, Dhanvare, Sector 22, Vashi, Navi Mumbai - 400703, India. Tel : + 91 22 2789 2924 / 3199

Corp. Off : Strides House, Bilekahalli, Bannerghatta Road, Bangalore - 560 076. Tel : +91-80 6284 0000

corporate@strides.com, www.strides.com

- (e) the report dated September 25, 2023, of the Audit Committee of the Board ("**Audit Committee**"), after taking into consideration, *inter-alia*, the Valuation Report, the Share Exchange Ratios, the Fairness Opinion, recommending the Scheme; and
- (f) the draft certificate from B S R & Co. LLP, Chartered Accountant, the statutory auditor of the Company, pursuant to paragraph A(5) of Part I of the SEBI Master Circular bearing reference No. SEBI/ HO/ CFD/ POD-2/ P/ CIR/ 2023/ 93 dated June 20, 2023, certifying that the accounting treatment proposed in the Draft Scheme in Clause 12 is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles ("**Auditor's Certificate**").

6. Share Entitlement Ratio Report

Share entitlement ratios for each part of the scheme based on valuation report are as follow:

- (i) Part II - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 1 as on the Record Date 1 (as defined in the Scheme), in consideration for the demerger:

"1 (one) equity share of Transferee Company (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Transferor Company 1 (of INR 10/- each fully paid up)."

- (ii) Part III - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 2 as on the Record Date 2 (as defined in the Scheme), in consideration for the demerger:

"1,515 (One Thousand Five Hundred and Fifteen) equity shares of Transferee Company (of INR 1/- each fully paid up) for every 1 (one) equity shares of Transferor Company 2 (of INR 10/- each fully paid up)."

No special valuation difficulties were reported.

7. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

Board reviewed the documents placed in the meeting held on September 25, 2023, and is of the informed opinion, upon the recommendations of the Audit Committee and the Committee of the Independent Directors that, the Draft Scheme is in the best interests of the Company and its shareholders and creditors.

Impact of the Draft Scheme on the shareholders including promoters and public shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

Promoters and Promoter Group entities of the Company also hold shares in the Demerged Company 2 and would receive shares in the Resulting Company based on share swap ratio determined and their shareholding in the Demerged Company 2.



8. Effect of the Scheme on KMPs of the Company

Mr. Arun Kumar is a KMP and Director of the Company and an interested party in the Scheme, by virtue of his direct/ indirect shareholding in the Companies involved in the Scheme.

Except the above,

- 1) there is no impact of the Scheme on any other KMPs of the Company.
- 2) None of the other KMPs have any interest in the Draft Scheme except to the extent of shares held by them, if any, in the Companies.

9. Effect of the Scheme on Creditors of the Company

There is no impact of the Draft Scheme on creditors of the Company.

Further, none of the creditors have any interest in the Draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

10. Adoption of the Report by the Board

Board of Directors of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and Behalf of the Board
For **Strides Pharma Science Limited**


S. Sridhar
Independent Director &
Chairperson of the Meeting
DIN: 00004272



Date: September 25, 2023



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STERISCIENCE SPECIALTIES PRIVATE LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON SEPTEMBER 25, 2023 AT 152/6 AND 154/16, DORASANI PALYA, BEGUR HOBLI, BANERGHATTA ROAD, BANGALORE, KARNATAKA - 560076, INDIA EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSON, PROMOTERS AND CREDITORS, AMONGST OTHERS

1. The Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1 or Demerged Company 1") and Sterisience Specialties Private Limited ("Sterisience" or "Transferor Company 2" or "Demerged Company 2") and Stelis Biopharma Limited ("Stelis" or "Transferee Company" or "Resulting Company"), (collectively referred to as "Companies") and their respective shareholders ("Draft Scheme") pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder ("Act"), read with sections 2(1B), 2(19AA) and other applicable provisions of the Income-tax Act, 1961.
2. The Scheme provides for, *inter alia*:
 - (a) Demerger of the identified CDMO Business and Soft Gelatin Business of Strides (as more explicitly defined in the Scheme) into Stelis;
 - (b) Demerger of the Identified CDMO Business of Sterisience (as more explicitly defined in the Scheme) into Stelis;
3. The Board at its meeting held on September 25, 2023, has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
4. As per section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular to the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
 - (a) the draft of the proposed Scheme;
 - (b) valuation report dated September 25, 2023, issued by PwC Business Consulting Services LLP, Registered Valuer (IBBI Registration No. IBBI/RV-E/02/2022/158) for the determination of the share entitlement ratios under the Draft Scheme ("**Valuation Report**");
 - (c) the draft certificate from Deloitte Haskins & Sells, Chartered Accountant (Firm's Registration No. 008072S), the statutory auditor of the Company, certifying that the accounting treatment proposed in the Draft Scheme is in compliance with the accounting



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Sterisience Specialties Private Limited
(Formerly Sterisience Pharma Private Limited)
CIN - U24304KA2020PTC137884
Reg & Corp Off: No. 152/6 and 154/16
Doresani Palya, Begur Hobli
Bannerghatta Road
Bengaluru - 560 076, India





standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles ("**Auditor's Certificate**").

6. Share Entitlement Ratio Report:

Share entitlement ratios for each part of the scheme based on valuation report are as follow:

- (i) Part II - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 1 as on the Record Date 1 (as defined in the Scheme), in consideration for the demerger:

"1 (one) equity share of Stelis (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Strides India (of INR 10/- each fully paid up)."

- (ii) Part III - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 2 as on the Record Date 2 (as defined in the Scheme), in consideration for the demerger:

"1,515 (One Thousand Five Hundred and Fifteen) equity shares of Stelis (of INR 1/- each fully paid up) for every 1 (one) equity shares of Steriscience India (of INR 10/- each fully paid up)."

No special valuation difficulties were reported.

7. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company:

The Board reviewed the documents placed in the meeting held on September 25, 2023, and is of the informed opinion, that the Draft Scheme is in the best interests of the Company and its shareholders and creditors.

The impact of the Draft Scheme on the shareholders including the promoter and shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

8. Effect of the Scheme on the KMPs of the Company:

There is no impact of the Draft Scheme on the KMPs of the Company. Further, none of the KMPs have any interest in the Draft Scheme except to the extent of shares held by them, if any, in the Companies.



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(Formerly Steriscience Pharma Private Limited)
CIN - U24304KA2020PTC137884
Reg & Corp Off: No. 152/6 and 154/16
Doresani Palya, Begur Hobli
Bannerghatta Road
Bengaluru - 560 076, India





9. Effect of the Scheme on the Creditors of the Company:

There is no impact of the Draft Scheme on the creditors of the Company. Further, none of the creditors have any interest in the Draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

10. Adoption of the Report by the Board:

The Board of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and Behalf of the Board
For **Steriscience Specialties Private Limited**


Chandrappa Seetharamaiah
Director

DIN: 07405773

Address: No. 5, 7th Cross, Gayathri Layout, Basavanapura Road,
Devasandra, Krishnarajapuram, Bengaluru-560036



Place: Bangalore

Date: September 25, 2023



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www.steri-science.com



Steriscience Specialties Private Limited
(Formerly Steriscience Pharma Private Limited)
CIN - U24304KA2020PTC137884
Reg & Corp Off: No. 152/6 and 154/16
Doresani Palya, Begur Hobli
Bannerghatta Road
Bengaluru - 560 076, India





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STELIS BIOPHARMA LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON SEPTEMBER 25, 2023 AT STAR 1, OPP IIM BANGALORE, BILEKAHALLI, BANNERGHATTA ROAD, BANGALORE, BANGALORE SOUTH – 560076, INDIA EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSON, PROMOTERS AND CREDITORS, AMONGST OTHERS

1. The Scheme of Arrangement amongst Strides Pharma Science Limited ("Strides" or "Transferor Company 1 or Demerged Company 1") and Steriscience Specialties Private Limited ("Steriscience" or "Transferor Company 2" or "Demerged Company 2") and Stelis Biopharma Limited ("Stelis" or "Transferee Company" or "Resulting Company"), (collectively referred to as "Companies") and their respective shareholders ("Draft Scheme") pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder ("Act"), read with sections 2(1B), 2(19AA) and other applicable provisions of the Income-tax Act, 1961 and read together with Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, on the scheme of arrangements by listed entities ("SEBI Circular"), issued by the Securities Exchange and Board of India ("SEBI").
2. The Scheme provides for, *inter alia*:
 - (a) Demerger of the identified CDMO Business and Soft Gelatin Business of Strides (as more explicitly defined in the Scheme) into Stelis;
 - (b) Demerger of the Identified CDMO Business of Steriscience (as more explicitly defined in the Scheme) into Stelis;
3. The Board at its meeting held on September 25, 2023, has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
4. As per section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular to the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
 - (a) the draft of the proposed Scheme;
 - (b) valuation report dated September 25, 2023, issued by PwC Business Consulting Services LLP, Registered Valuer (IBBI Registration No. IBBI/RV-E/02/2022/158) for the determination of the share entitlement ratios under the Draft Scheme ("Valuation Report");
 - (c) the draft certificate from Deloitte Haskins & Sells, Chartered Accountant (Firm's Registration No. 008072S), the statutory auditor of the Company, pursuant to paragraph A(5) of Part I of the SEBI Master Circular bearing reference No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, certifying that the accounting treatment proposed in the Draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles ("Auditor's Certificate").

6. Share Entitlement Ratio Report:

Share entitlement ratios for each part of the scheme based on the valuation report are as follows:

- (i) Part II - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 1 as on the Record Date 1 (as defined in the Scheme), in consideration for the demerger:

"1 (one) equity share of Stelis (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Strides India (of INR 10/- each fully paid up)."

- (ii) Part III - for the allotment of equity shares of the Resulting Company, having face value of INR 1/- each to the shareholders of Demerged Company 2 as on the Record Date 2 (as defined in the Scheme), in consideration for the demerger:

"1,515 (One Thousand Five Hundred and Fifteen) equity shares of Stelis (of INR 1/- each fully paid up) for every 1 (one) equity shares of Steriscience India (of INR 10/- each fully paid up)."

No special valuation difficulties were reported.

7. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company:

The Board reviewed the documents placed in the meeting held on September 25, 2023, and is of the informed opinion, that the Draft Scheme is in the best interests of the Company and its shareholders and creditors.

The impact of the Draft Scheme on the shareholders including the promoter and public shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

8. Effect of the Scheme on the KMPs of the Company:

There is no impact of the Draft Scheme on the KMPs of the Company. Further, none of the KMPs have any interest in the Draft Scheme except to the extent of shares held by them, if any, in the Companies.

9. Effect of the Scheme on the Creditors of the Company:

There is no impact of the Draft Scheme on the creditors of the Company. Further, none of the creditors have any interest in the Draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

10. Adoption of the Report by the Board:

The Board of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and on Behalf of the Board
For **Stelis Biopharma Limited**




Kannan PR
Director
DIN: 03435209

Place: Bangalore
Date: September 25, 2023

Annexure H



PwC Business Consulting Services LLP
The Millenia, Tower D, 7th Floor,
Murphy Road, Ulsoor,
Bangalore – 560008

Dated: 25 September 2023

To,

The Board of Directors Strides Pharma Science Limited Strides House, Bilekahalli, Bannerghatta Road, Bangalore – 560076	The Board of Directors Stelis Biopharma Limited Plot No. 293, Bommasandra Jigani Link Road, Jigani Industrial Area, Anekal Taluk, Bangalore - 560015	The Board of Directors Steriscience Specialties Private Limited Plot no 30, Galaxy, 1st Main Road, J.P. Nagar, Third Phase, Bangalore 560078
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Sub: Recommendation of the following:

- Fair equity share entitlement ratio for the proposed demerger of the Identified CDMO Business and Soft Gelatin Business of Strides Pharma Science Limited into Stelis Biopharma Limited; and
- Fair equity share entitlement ratio for the proposed demerger of the Identified CDMO Business of Steriscience Specialties Private Limited into Stelis Biopharma Limited.

Dear Sir / Madam,

We refer to the engagement letter dated 21 September 2023 whereby Strides Pharma Science Limited (hereinafter referred to as "Strides"), Stelis Biopharma Limited (hereinafter referred to as "Stelis") and Steriscience Specialties Private Limited (hereinafter referred to as "Steriscience") have appointed PwC Business Consulting Services LLP, Registered Valuer (hereinafter referred to as "PwC BCS LLP" or "Valuer") to recommend the following:

- Fair equity share entitlement ratio for the proposed demerger of the Identified CDMO Business and Soft Gelatin ("SGC") Business of Strides (defined subsequently) into Stelis; and
- Fair equity share entitlement ratio for the proposed demerger of the Identified CDMO Business of Steriscience (defined subsequently) into Stelis.

BACKGROUND OF COMPANIES

Strides was incorporated on June 28, 1990 under the provisions of the Companies Act 1956, and is a public limited company within the meaning of the Companies Act, 2013 ("Act") having CIN L24230MH1990PLC057062. Its registered office is located at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703 and corporate office located at Strides House, Bilekahalli, Bannerghatta Road, Bangalore-560076. Strides is engaged in the development, manufacture and sales of a wide range of niche and technically complex pharmaceutical products. The equity shares of Strides are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Strides Pharma Global Pte. Ltd ("Strides Singapore") is a wholly-owned step-down subsidiary of Strides. Strides and Strides Singapore hold the Abbreviated New Drug Applications ("ANDAs") and associated Intellectual Properties ("IPs") for various SGC formulations.

Steriscience was incorporated on August 29, 2020 under the provisions of the Act and is a private limited company, having CIN U24304KA2020PTC137884. Its registered office is located at 152/6 and 154/16, Dorasani Palya, Begur Hobli, Bannerghatta Road, Bangalore – 560076 and corporate office is located at Plot no 30, Galaxy, 1st Main Road, J.P. Nagar, Third Phase, Bangalore – 560078. Steriscience is engaged in the business of Contract Development and Manufacturing ("CDMO") and supply of carbapenems, pre-filled syringes, liquid vials, lyophilized vials, injectable bags, peptides and vaccine fill finish. Steriscience Singapore, founded in 2020, is a wholesaler of medical and pharmaceutical products, and also holds the ANDAs and associated IPs for various injectable products.





Stelis was incorporated on June 12, 2007 under the provisions of the Companies Act 1956, and is a public limited company, having CIN U74140KA2007PLC043095. Its registered office is located at Star 1, Opp IIM Bangalore Bilekahalli, Bannerghatta Road, Bangalore - 560076 and corporate office is located at Plot No. 293, Bommasandra Jigani Link Road, Jigani Industrial Area, Anekal Taluk, Bangalore - 560015. We understand that Stelis primarily serves other companies as a CDMO company, with drug substance and fill finish capabilities across modalities.

We understand from Management that Strides and its promoter group intent to consolidate and house the CDMO businesses of the Group under Stelis, to build a specialty pharmaceutical CDMO player. With this perspective, Management is evaluating a demerger of the Identified CDMO Business and Soft Gelatin Business of Strides into Stelis and a demerger of the CDMO business of Sterisience into Stelis.

We understand that Strides has set up a step-down wholly-owned subsidiary company in Singapore - Strides Softgels Pte Limited ("New Co 1") under its wholly owned subsidiary Strides Pharma Services Private Limited ("Strides WOS") and is in the process of transferring the SGC business of Strides Singapore to New Co 1. Further, we understand that Strides holds interests in CDMO businesses through its ~26% stake in Stelis as at the date of this report ("Valuation report" or "Report"); accordingly, the Identified CDMO Business and Soft Gelatin Business of Strides - comprising the SGC business within Strides as well as Strides' investments in Strides WOS and Stelis, would be demerged into Stelis.

Similarly, we understand that Sterisience is in the process of setting up a wholly-owned subsidiary company in Singapore - Sterisience Specialties Pte Limited ("New Co 2") and the CDMO business of Sterisience Singapore would be transferred to New Co 2 prior to completion of Transaction 2 (defined subsequently). Accordingly, the Identified CDMO Business of Sterisience - comprising the CDMO business within Sterisience as well as the investment in New Co 2 - would be demerged into Stelis.

It may be noted that given that both New Co 1 and New Co 2 (mentioned above) are wholly-owned subsidiaries of Strides and Sterisience respectively, we have considered the respective consolidated values of the Identified CDMO Business and Soft Gelatin Business of Strides (excluding investment in Stelis) and Identified CDMO Business of Sterisience, for the purpose of computation of the respective share entitlement ratios, since the shares of Stelis would be ultimately issued to the shareholders of Strides and Sterisience, respectively.

SCOPE AND PURPOSE OF THIS REPORT

We understand that the management of Stelis, Strides and Sterisience (it may be noted that Stelis, Strides and Sterisience are hereinafter referred to as "Companies"; the managements of the Companies are collectively referred to as "Management") are evaluating the following, pursuant to a Composite Scheme of Arrangement under the provisions of Section 230 to 232 read with Section 247 of the Companies Act, 2013 (including any statutory modifications, enactments, re-enactment or amendments thereof) and other applicable securities and capital market laws and rules issued thereunder to the extent applicable ("the Proposed Scheme" or "Proposed Transaction"):

1. A demerger of the Identified CDMO Business and Soft Gelatin Business of Strides into Stelis ("Transaction 1"); and
2. A demerger of the Identified CDMO Business of Sterisience into Stelis ("Transaction 2").

(Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Sterisience have together been referred to as "Specified Business/(s)").

We understand that the transactions are being planned as all-share deals (together "Transaction"), which would involve issue of equity shares of Stelis to the shareholders of Strides and Sterisience.

The Transaction is proposed to be carried out with effect from the appointed date, as specified in the Proposed Scheme.



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For the aforesaid purpose, the Board of Directors of Strides, Stelis and Steriscience have appointed PwC BCS LLP to submit a Valuation report recommending the following:

- a. Fair equity share entitlement ratio for the demerger of Identified CDMO Business and Soft Gelatin Business of Strides, based on the relative valuations of the Identified CDMO Business and Soft Gelatin Business of Strides and Stelis ("Entitlement Ratio 1"); and
- b. Fair equity share entitlement ratio for the demerger of Identified CDMO Business of Steriscience, based on the relative valuations of the Identified CDMO Business of Steriscience and Stelis ("Entitlement Ratio 2").

(Entitlement Ratio 1 and Entitlement Ratio 2 are together referred to as "Entitlement Ratios" or "Ratios").

The Ratios have been recommended for consideration of the Board of Directors (including Audit Committee and Committee of Independent Directors, as applicable) of the Companies, in accordance with the applicable relevant laws, rules and regulations of Securities and Exchange Board of India ("SEBI") and the relevant stock exchanges.

The report will be placed before the Audit Committees, Committee of Independent Directors and the Board of Directors of Strides, Stelis and Steriscience, as applicable, as per the relevant SEBI circulars, and, to the extent mandatorily required under applicable laws of India, this report may be produced before the judicial regulatory or governmental authorities, stock exchanges, shareholders in connection with the Transaction.

The scope of our services is to conduct a relative (and not absolute) valuation of the Specified Businesses and to issue a report on the Entitlement Ratios for the Transactions in accordance with the International Valuation standards.

We have been provided with the historical carved out financial information of the Specified Businesses. We have considered the same in our analysis and made adjustments for further facts made known (past or future) to us till the date of our report. The current valuation does not factor the impact of any event which is unusual or not in normal course of business, other than the events specifically mentioned in this report.

We have relied on the above while arriving at the fair Ratios for the Proposed Scheme.

For the purpose of this Report, the bases of value is 'Relative Value' and the valuation is based on 'Going Concern' premise. For the purpose of this valuation, September 24, 2023 has been considered as the 'Valuation Date'.

This report is our deliverable for the above engagement.

This report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

BACKGROUND OF VALUER

PwC Business Consulting Services LLP is a limited liability partnership firm, with registered office at 11-A, Sucheta Bhawan, 1st Floor, Vishnu Digambar Marg, New Delhi, 110 002, India. PwC BCS LLP is engaged in providing valuation and related advisory services.

PwC BCS LLP is registered with the IBBI as a Registered Valuer for asset classes - 'Securities or Financial Assets' and 'Plant and Machinery' with Registration No. IBBI/RV-E/02/2022/158.





SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and gathered from public domain:

- Draft Scheme of Arrangement;
- Detailed shareholding pattern of Stelis, Strides and Sterisience as on the report date;
- Standalone and consolidated audited financial statements of Stelis for the fiscal years ending 31 March 2021, 2022, 2023 and for the period April to June 2023 ("YTD Jun-24");
- Carved-out unaudited financial statements of the Identified CDMO Business of Sterisience for the fiscal years ending 31 March 2022 and 2023;
- Audited financial statements of Sterisience Specialties Private Limited for the period YTD Jun-24;
- Carved-out unaudited financial statements of the Identified CDMO Business and Soft Gelatin Business of Strides (excluding investment in Stelis) for the fiscal years ending 31 March 2021, 2022, 2023 and for the period YTD Jun-24;
- Estimated financials of the Identified CDMO Business of Sterisience for the period from July 2023 to March 2024 ("9MFY24") and forecasted financials for the 4 fiscal years ending 31 March 2025, 2026, 2027 and 2028;
- Estimated financials of the Identified CDMO Business and Soft Gelatin Business of Strides for the period 9MFY24 and forecasted financials for the 6 fiscal years ending 31 March 2025, 2026, 2027, 2028, 2029 and 2030;
- Estimated financials of Stelis for the period 9MFY24 and forecasted financials for the 9 fiscal years ending 31 March 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032 and 2033;
- Discussions with the Management to obtain requisite explanation and clarification of data provided;
- Discussions with the Management to inter-alia understand their perception of historical and expected future performance, macro-economic parameters and key value drivers affecting Stelis, Identified CDMO Business of Sterisience and Identified CDMO Business and Soft Gelatin Business of Strides;
- Details of recent transactions in Stelis;
- Market comparables and transactions, to the extent information on comparable companies/transactions is available in the public domain;
- General market data, including economic, governmental, and environmental forces, and industry information that may affect the Value;
- Other information and documents for the purpose of this engagement.

During the discussions with the Managements, we have also obtained explanations and information considered reasonably necessary for our exercise. The Companies have been provided with the opportunity to review the draft report (excluding the recommended Ratios) as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information from the Management.
- Used data available in public domain related to the Companies and its peers.
- Discussions (physical/over call) with the Management to understand the business and fundamental factors that affect the Companies' earning-generating capability including strengths, weaknesses, opportunity and threats analysis, and historical financial performance.
- Research publicly available market data including economic factors and industry trends that may impact the valuation.
- Analysis of valuation multiples of comparable companies/comparable transactions using information available in public domain and / or proprietary databases subscribed by us or our network firms.
- Analysis of recent transactions in Stelis;
- Selection of well accepted valuation methodology/(ies) as considered appropriate by us.
- Arriving at relative values of Company / Specified Business in order to determine the Entitlement Ratios for the Proposed Transaction.



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SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this report and (iii) and are based on the audited financial statements of Stelis, Strides and Sterisience for the period YTD Jun-24. The Management has represented that the business activities of Stelis and the Specified Businesses have been carried out in the normal and ordinary course between 30 June 2023 and the report date, and that no material adverse change has occurred in their respective operations and financial position between 30 June 2023 and the report date.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information till 24 September 2023, furnished by the Companies (or their representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular, and the information made available to us. The report is issued on the understanding that the Management of the Companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which have an impact on our opinion, on the Entitlement Ratios for the Proposed Transaction. We have considered only circumstances existing at the Valuation Date and events occurring up to the Valuation Date. Events and circumstance may have occurred since the Valuation date concerning the financial position of Stelis, Identified CDMO Business of Sterisience and Identified CDMO Business and Soft Gelatin Business of Strides or any other matter and such events or circumstances might be considered material by the Companies or any third party. We have taken into account, in our valuation, such events and circumstances occurring after the Valuation Date as disclosed to us by the Companies, to the extent considered appropriate by us based on our professional judgment. Further, we have no responsibility to update the report for any events and circumstances occurring after the date of this report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to such completion date.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuers and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The determination of Entitlement Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no indisputable single Entitlement Ratio (s). While we have provided our recommendation of the equity share Entitlement Ratios based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the fair equity share Entitlement Ratios. The final responsibility for the determination of the equity share Entitlement Ratio at which the Proposed Transaction shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial, and operating data. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy, or completeness, we have obtained information as far as possible, from sources generally considered to be reliable.



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We assume no responsibility for such information. Our valuation does not constitute an audit or review in accordance with the auditing standards applicable in India, accounting/ financial/ commercial/ legal/ tax/ environmental due diligence or forensic or investigation services and does not include verification or validation work. In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence or otherwise investigated the historical financial information provided to us. We have not independently investigated or otherwise verified the data provided by the Companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials/ financial statements and projections. The assignment did not involve us to conduct any financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of Stelis, Identified CDMO Business of Sterisience and/or Identified CDMO Business and Soft Gelatin Business of Strides. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Companies. The Management of the Companies has indicated to us that they have understood that any omissions, inaccuracies, or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the report. Also, we assume no responsibility for technical information (if any) furnished by the Companies.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Companies. Our conclusion of value assumes that the assets and liabilities of the companies, reflected in their respective latest balance sheets remain intact as of the Valuation Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Proposed Transaction.

This report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Companies' claim to title of assets has been made for the purpose of this report and the Companies claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

We must emphasize that realizations of free cash flow forecast used in the analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the projections. Since the financial forecasts relate to future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences may be material.

We have not conducted or provided an analysis or prepared a model for any individual assets/ liabilities and have wholly relied on the information provided by the Companies in this regard.

We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee for the engagement is not contingent upon the results reported.

We owe responsibility to only the Boards of Directors of the respective Companies that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies.



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In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employees, or agents. In no circumstances shall the liability of a Valuer, its partners, its directors, or employees, relating to the services provided in connection with the engagement set out in this report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

This valuation report is subject to the laws of India.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Transaction, without our prior written consent. In addition, this report does not in any manner address the prices at which Strides' equity shares will trade following consummation of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders/ creditors of either Company should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Transaction. Our report and the opinion/ valuation analysis contained herein is not and nor should it be construed as advice relating to investing in, purchasing, selling, or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

Any discrepancies in any table/ annexure between the total and the sums of the amounts listed are due to rounding-off.

BACKGROUND OF COMPANIES

Strides Pharma Science Limited

The issued and subscribed equity share capital of Strides, as at the date of this report, is INR 918.80 million consisting of 91,880,364 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Share Holding
Promoter & Group ¹	26,898,887	29.28%
Non-Promoter (Public)	64,981,477	70.72%
Grand Total	91,880,364	100.0%

Source: Management Information

Stelis Biopharma Limited

The issued and subscribed equity share capital of Stelis, as at the date of this report, is INR 42.06 million consisting of 42,056,654 equity shares of face value of INR 1 each. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Share Holding
Strides Pharma Science Limited	11,089,320	26.37%
Arco Labs Private Limited	1,839,900	4.37%
Karuna Business Solutions LLP	6,613,370	15.72%
Tenshi Pharmaceuticals Private Limited ²	5,972,715	14.20%
Medella Holdings Pte Limited	6,411,305	15.24%
Other shareholders (including ESOPs) ³	10,130,044	24.10%
Grand Total	42,056,654	100.0%

Source: Management Information

¹ Includes 15,47,510 of outstanding convertible securities (including warrants); we understand that warrants will be exercised before effective date for issuance of Stelis shares.

² Includes partly paid up shares of 15,22,694; we understand that partly-paid shares, will be fully-paid up before the effective date for issuance of Stelis shares.

³ Includes certain ESOPs which are yet to be subscribed; we understand that such ESOPs will be exercised before the effective date for issuance of Stelis shares.



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Sterisience Specialties Private Limited

The issued and subscribed equity share capital of Sterisience, as at the date of this report, is INR 0.21 million consisting of 20,871 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Share Holding
Tenshi Pharmaceuticals Private Limited ⁴	14,032	67.20%
Medella Holdings Pte Ltd	5,190	24.90%
Other Shareholders (including ESOPs) ⁵	1,649	7.90%
Grand Total	20,871	100.0%

Source: Management Information

APPROACH - BASIS OF TRANSACTION

The Proposed Composite Scheme of Arrangement under the provisions of Section 230 to 232, read with Section 247 of the Companies Act, 2013 contemplates the following a) a demerger of the Identified CDMO Business and Soft Gelatin Business of Strides into Stelis and b) a demerger of the Identified CDMO Business of Sterisience into Stelis.

Arriving at the Entitlement Ratios for the Proposed Transaction would require determining the relative equity valuations of Stelis, Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Sterisience, based on methodologies explained herein and various qualitative factors relevant to the Specified Business / (s) and Stelis.

The three main valuation approaches are the market approach, income approach and asset approach. There are several commonly used and accepted methods within the market approach, income approach and asset approach, for determining the relative fair value of equity shares of a company, which can be considered in the present valuation exercise, to the extent relevant and applicable, to arrive at the Entitlement Ratios for the purpose of the Proposed Transaction, such as:

1. Asset Approach-
 - Net Asset Value (NAV) Method
2. Income Approach
 - Discounted Cash Flow (DCF) Method
3. Market Approach
 - Market Price Method
 - Comparable Companies Multiples (CCM) Method
 - Comparable Transactions (CTM) Method
 - Price of Recent Investment Method

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

⁴ Includes partly paid up shares of 486 we understand that partly-paid shares, will be fully-paid up before the effective date for issuance of Stelis shares.



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Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Asset Approach - Net Asset Value method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in cases where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. A Scheme of amalgamation / demerger would normally be proceeded with, on the assumption that the companies/ business would continue as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of amalgamation / demerger, with the values arrived at on the net asset basis being of limited relevance.

The above assertions hold true for the valuation of Stelis, Identified CDMO Business and Soft Gelatin Business of Strides and Identified CDMO Business of Steriscience, given the nature and stage of operations of the respective businesses; hence the underlying asset value has limited relevance for this exercise.

Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current value (i.e., discontinued or capitalized amount). This value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

- **Discounted Cash Flows (DCF) Method**

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company/ business that are available to all providers of the companies'/ business' capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e., the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and debt providers), weighted by their relative contribution to the total capital of the company/ business. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Market Approach: Market approach is a valuation approach that uses trading prices and/or other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business:

- **Market Price (MP) Method**

The market price of an equity share, as quoted on a stock exchange, is normally considered as representative of the fair value of the equity shares of that company, where such shares are regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.



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- **Comparable Companies Multiple (CCM) method**

Under this method, value of a business / company is arrived at by using multiples derived from valuations of listed comparable companies, as manifest through stock market valuations of such listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences in circumstances.

- **Comparable Transactions Multiple (CTM) method**

Under this method, value of a business / company is arrived by comparing it to the relevant deal multiples for transactions in comparable companies. After identifying and selecting the comparable companies with recent transactions, their business and financial profiles are analysed for relative similarity. The relevant multiples of these companies are calculated based on the deal valuations and adjusted, if required. The multiples are then applied to the subject company's operating results to estimate the Enterprise Value.

- **Price of Recent Investment ('PRI') method**

Where there has been any recent arms-length investment in the subject company, the price of that investment provides a basis of the fair value of the said company, subject to the changes or events subsequent to the relevant transaction, at each reporting date. If there are any indications of change in the fair value of the subject company after the investment, a suitable adjustment to PRI may be considered.

Out of the above methods, the Valuers have used approaches / methods, as considered appropriate by them respectively.

BASIS OF ENTITLEMENT RATIO 1

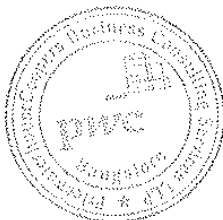
The basis of demerger of the Identified CDMO Business and Soft Gelatin Business of Strides into Stelis has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different methodologies, it is finally necessary to arrive at a single value for Transaction 1. It is important to note that we are not attempting to arrive at the absolute equity values of Stelis and Identified CDMO Business and Soft Gelatin Business of Strides, but at their relative values to facilitate the determination of Entitlement Ratio 1. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

We have considered appropriate weights to values arrived at under Income and Market Approaches.

Under the Market Approach, we have relied on the CCM method for Identified CDMO Business and Soft Gelatin Business of Strides and PRI method for Stelis.

It may be noted that the Market Price method and PRI method have not been considered for valuation of Identified CDMO Business and Soft Gelatin Business of Strides on account of the following – a) the traded share price of Strides reflects the value of Strides as a whole, and not the Identified CDMO Business and Soft Gelatin Business of Strides alone; therefore valuing the Identified CDMO Business and Soft Gelatin Business of Strides under the Market Price method is not feasible; and b) since the Identified CDMO Business and Soft Gelatin Business of Strides is a business segment within Strides, PRI Method is also not relevant for the valuation. Further, while we have analyzed the implied multiples of transactions in comparable companies, we have not relied on the Comparable Transactions Method ("CTM") considering the following – (a) limited number of comparable companies for which relevant information to derive multiples is available in the public domain; b) significant dispersion amongst their implied multiples; and (c) paucity of data pertaining to historical growth rates, forward revenues, margins, etc. of the target companies in the public domain.

Further, considering the early stage of operations for the CDMO business, with significant scale-up in revenues expected going forward, there are no listed companies or transactions in companies strictly comparable to Stelis; accordingly, CCM / CTM Method has not been considered for valuation of Stelis.





The Market Price method would not be relevant for the valuation of Stelis as it is privately held as on the date of this report.

Entitlement Ratio 1 has been arrived at on the basis of a relative equity valuation (on a per share basis) of Stelis and Identified CDMO Business and Soft Gelatin Business of Strides based on the various methodologies explained herein earlier and various qualitative factors relevant to each business and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions, and limitations.

Our recommendation of Entitlement Ratio 1 for Transaction 1, is in accordance with International Valuation Standards.

The computation of Entitlement Ratio 1, for the Demerger of Identified CDMO Business and Soft Gelatin Business of Strides into Stelis, is given below:

Valuation Approach	Stelis		Identified CDMO Business and Soft Gelatin Business of Strides	
	Value per share (INR)	Weight	Value per share (INR)**	Weight
Asset Approach*	NA	NA	NA	NA
Income Approach - DCF Method	735	50%	349	50%
Market Approach - CCM Method - PRI Method	653	50%	349	50%
Relative Value per share	695		349	
Fair Equity Share Entitlement Ratio (rounded off)		1:2		

NA = Not Applied / Not Applicable

*Since, the businesses of Stelis and Identified CDMO Business and Soft Gelatin Business of Strides are intended to be continued on a 'going concern basis' and there is no intention to dispose of the assets, therefore the Asset (Cost) Approach is not adopted for the Valuation exercise

** Value of investment by Strides in Stelis, per share of Strides, is based on the concluded per share value of Stelis and the number of shares in Stelis held by Strides; this has been aggregated with the per share value for the Identified CDMO Business and Soft Gelatin Business of Strides (excluding the investment in Stelis) as per the Income and Market approach, respectively.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Entitlement Ratio 1, for the demerger of Identified CDMO Business and Soft Gelatin Business of Strides into Stelis as under:

1 (One) equity share of Stelis (of INR 1/- each fully paid up) for every 2 (Two) equity shares of Strides (of INR 10/- each fully paid up)

BASIS OF ENTITLEMENT RATIO 2

The basis of demerger of the Identified CDMO Business of Steriscience into Stelis has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different methodologies, it is finally necessary to arrive at a single value for Transaction 2. It is important to note that we are not attempting to arrive at the absolute equity values of Stelis and Identified CDMO Business of Steriscience, but at their relative values to facilitate the determination of Entitlement Ratio 2. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

We have considered appropriate weights to values arrived at under Income and Market Approaches.

Under the Market Approach we have relied on the CCM method for the Identified CDMO Business of Steriscience and PRI Method for Stelis.





It may be noted that since the Identified CDMO Business of Sterisience is a business segment within Sterisience, PRI Method is not relevant for the valuation. Further, while we have analyzed the implied multiples of transactions in comparable companies, we have not relied on CTM for Valuation of Identified CDMO Business of Sterisience, considering the following – (a) limited number of comparable companies for which relevant information to derive multiples is available in the public domain; b) significant dispersion amongst their implied multiples; and (c) paucity of data pertaining to historical growth rates, forward revenues, margins, etc. of the target companies in the public domain.

Entitlement Ratio 2 has been arrived at on the basis of a relative equity valuation (on a per share basis) of Stelis and Identified CDMO Business of Sterisience based on the various methodologies explained herein earlier and various qualitative factors relevant to each business and the business dynamics and growth potentials of the businesses, having regard to information base, key underlying assumptions, and limitations.

Our recommendation of Entitlement Ratio 2 for Transaction 2, is in accordance with International Valuation Standards.

The computation of Entitlement Ratio 2, for the Demerger of Identified CDMO Business of Sterisience into Stelis, is given below:

Valuation Approach	Stelis		Identified CDMO Business of Sterisience	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach*	NA	NA	NA	NA
Income Approach - DCF Method	735	50%	1,000,242	50%
Market Approach - CCM Method - PRI Method	653	50%	1,103,907	50%
Relative Value per share	695		1,052,075	
Fair Equity Share Entitlement Ratio (rounded off)	1,515:1			

NA = Not Applied / Not Applicable

*Since, the businesses of Stelis and Identified CDMO Business of Sterisience are intended to be continued on a 'going concern basis' and there is no intention to dispose of the assets, therefore the Asset (Cost) Approach is not adopted for the present valuation exercise

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend Entitlement Ratio 2, for the demerger of Identified CDMO Business of Sterisience into Stelis as under:

1,515 (One Thousand Five Hundred and Fifteen) equity share of Stelis (of INR 1/- each fully paid up) for every 1 (One) equity share of Sterisience (of INR 10/- each fully paid up)



2



Respectfully submitted,

PwC Business Consulting Services LLP
IBBI Registered Valuer No.: IBBI/RV-E/02/2022/158

Vishnu Giri
Partner

Registered Valuer No.: IBBI/RV/02/2021/14260
VRN No: IOVRVF/PWC/2023-2024/2344

Date: 25 September 2023
Place: Bangalore



CS Undertaking regarding Valuation

September 27, 2023

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

BSE Scrip Code – 532531

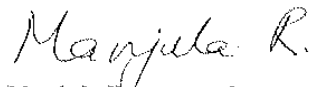
Dear Madam/ Sir,

Re.: Scheme of Arrangement amongst Strides Pharma Science Limited (“Strides” or “Transferor Company 1” or “Demerged Company 1”) and Steriscience Specialties Private Limited (“Steriscience” or “Transferor Company 2” or “Demerged Company 2”) and Stelis Biopharma Limited (“Stelis” or “Transferee Company” or “Resulting Company”) and their respective shareholders (“Draft Scheme”), presented under Section 230-232 read with other applicable provisions of the Companies Act, 2013.

With reference to the above, we certify/ confirm that: -

- (i) No material event impacting the valuation has occurred during the intervening period of filing the scheme documents with the Stock Exchange and the period under consideration for valuation; and
- (ii) There are no past defaults of listed debt obligations of the entities forming part of the scheme.

Thanks & Regards,
For Strides Pharma Science Limited,


Manjula Ramamurthy
Company Secretary
ICSI Membership No.: A30515



Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

Corp. Off: Strides House, Blockahalli, Bannerghatta Road, Bengaluru - 560076, India, Tel : +91 80 6784 0000

Regd. Off: 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, India, Tel : +91 22 2789 2924 / 3199

corpcomm@strides.com | www.strides.com

Jefferies India Private Limited

Level 16, Express Towers
 Nariman Point
 Mumbai 400021, India
 tel +91 (0) 22 4356 6000
 india.communication@jefferies.com
 Jefferies.com

September 25, 2023

The Board of Directors
Strides Pharma Science Limited
 Strides House
 Opposite IIM-B, Bilekahalli
 Bannerghatta Road, Bangalore 560076
 India

Members of the Board of Directors:

I. Engagement Background:

Strides Pharma Science Limited, an Indian public limited company, incorporated in India (the “Company” or “Demerged Company 1” or “Transferor Company 1”) has requested Jefferies India Private Limited (“we” or “us”) to provide a fairness opinion on the fair share entitlement ratio recommended by PwC Business Consulting Services LLP (IBBI Registration No. IBBI/RV-E/02/2022/158) (“Registered Valuer”) in its fair equity share entitlement ratio report dated September 25, 2023 (“Valuation Report”) in relation to the transfer by the Company by way of demerger of its business of manufacturing of oral soft gelatins for its customers and under contract development and manufacturing arrangement (more particularly set out as “Demerged Undertaking 1” under the Scheme (*as defined hereinafter*)), into Stelis Biopharma Limited (“Stelis” or “Resulting Company” or “Transferee Company”) pursuant to a scheme of arrangement amongst the Company, Stelis and Steriscience Specialties Private Limited (“Steriscience” or “Demerged Company 2” or “Transferor Company 2”) and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 (“Scheme”). The Company, Stelis and Steriscience are hereinafter collectively referred to as “Companies”.

We understand from the form of the draft Scheme received on September 24, 2023, the Scheme provides among other things, for: (i) demerger of the Demerged Undertaking 1 of the Company into Stelis and issuance of equity shares by Stelis to the equity shareholders of the Company in consideration thereof alongwith automatic cancellation of the equity shares of Stelis held by the Company (which are part of Demerged Undertaking 1), without any further application, act, instrument or deed and reduction of share capital of Stelis to the extent of the face value of such shares (“Demerger” or “Transaction”); and (ii) demerger of the business of Steriscience in relation to the contract development and manufacturing of sterile injectables (more particularly described as “Demerged Undertaking 2” in the Scheme) into Stelis and issuance of equity shares by Stelis to the equity shareholders of Steriscience in consideration thereof. The terms and conditions of the Demerger are more fully set out in the Scheme to be placed before the Company’s Board of Directors for their approval.



SEBI Registration: Stock Broker (NSE & BSE) – INZ000243033, Research Analyst – INH000000701, Merchant Banker – INM000011443
 CIN – U74140MH2007PTC200509



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As more particularly set out in the Scheme, pursuant to the Demerger, Stelis will issue 1 equity share of face value INR 1/- each credited as fully paid-up in Stelis for every 2 equity shares of the Company of face value of INR 10/- each fully paid-up ("**Share Entitlement Ratio**") as of the Record Date 1 (*as defined in the Scheme*). The Share Entitlement Ratio has been recommended by the Registered Valuer.

We understand that the appointed date for the Demerger is fixed as April 1, 2024. This opinion ("**Opinion**") is issued pursuant to the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India ("**SEBI Scheme Circular**") and is being delivered at the Company's request in connection with its obligations under the SEBI Scheme Circular.

You have asked for our Opinion as of the date hereof, as to whether the Share Entitlement Ratio pursuant to the Scheme is fair, from a financial point of view, to the shareholders of the Company. For the avoidance of doubt, in rendering this Opinion, we have not taken into account, with your consent, the effect of any other corporate actions as part of the Scheme or the proposed Demerger and this Opinion is only in respect of the Share Entitlement Ratio in respect of the proposed Demerger. This Opinion does not address any other aspects or implications related to the proposed Demerger or any other transactions. This Opinion should not be construed as an offer or invitation or solicitation of any offer or invitation for the sale or purchase of any securities, assets, business or undertaking of any entity or company specified therein.

This Opinion is accordingly being provided solely for the use and benefit of the Company's Board of Directors (in its capacity as such), in connection with and for the purposes of the requirement under the SEBI Schemes Circular and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Company's Board of Directors.

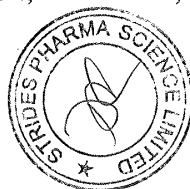
II. Basis of Opinion:

In arriving at our Opinion, we have:

- (a) reviewed a draft of the Scheme received on September 24, 2023;
- (b) reviewed the Valuation Report;
- (c) reviewed certain information furnished to us by the Company's management, including financial forecasts and analyses;
- (d) reviewed and compared valuation multiples of certain publicly traded companies that we deemed relevant;
- (e) reviewed the transaction structure as provided by the Company along with relevant shareholding data to arrive at the Share Entitlement Ratio; and
- (f) performed such other analyses and reviewed such other information and considered such other factors as we have deemed appropriate.

III. Scope and Review, Limitations and Qualifications:

Our Opinion and analysis are limited to the extent of review of documents as mentioned above. Whilst we have reviewed the above information, neither Jefferies India Private Limited, nor its affiliates, officers, partners, directors, shareholders, managers, employees or agents of any of



them makes any representation or warranty, express or implied, as to the information or documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or resulting to any such information contained therein.

We have not undertaken a detailed analysis of the Scheme or the conditions, rights and obligations thereunder, since our Opinion is limited to the fairness of the Share Entitlement Ratio, from a financial point of view to the shareholders of the Company.

In our review and analysis and in rendering this Opinion, we have assumed and relied upon, but have not assumed any responsibility to independently investigate or verify and have not independently investigated or verified, the accuracy, sufficiency and completeness of all financial and other information including, without limitation, assumptions, operations and forecasts that was supplied or discussed with us or otherwise made available by the Company or that was publicly available to us (including, without limitation, the information described above), or that was otherwise reviewed by us. We have not reviewed any internal management information statements for the purposes of this Opinion. We have not assumed and do not assume any responsibility or liability for any such information and have relied on assurances of the management of the Company that (i) it is not aware of any facts and/ or circumstances that would make such information inaccurate or misleading and (ii) it is not aware of any material information that has been omitted or that remains undisclosed to us that would make the information or data examined by, provided to, reviewed by, or discussed with, us inaccurate or misleading in any respect or that would otherwise be relevant in arriving at our Opinion. The management of the Company have been provided an opportunity to review factual information in our draft opinion to make sure that factual errors are avoided in our final opinion. With respect to the Valuation Report, we have assumed, with your consent, that it has been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the Valuer. In our review, we did not independently carry out any due diligence or obtain any independent evaluation or valuation or appraisal of any of the assets or liabilities of, the Companies. We have not conducted a physical inspection of any of the assets or properties or facilities of, the Companies, nor have we been furnished with any evaluations or appraisals of such physical inspections, nor do we assume any responsibility to obtain any such evaluations or appraisals. We have also not evaluated the solvency or fair value of the Companies under any laws relating to bankruptcy, insolvency or similar matters. With your consent, we have only reviewed limited information regarding the Demerged Undertaking 1 solely to the extent specified herein. We have not held any discussions with the management of Stelis or Steriscience.

With respect to the financial forecasts provided to and examined by us, we note that projecting future results of any company is inherently subject to uncertainty. The Company has informed us, however, and we have assumed, that such financial forecasts were reasonably prepared on bases reflecting (and continuing to reflect) the best currently available estimates and good faith judgments of the management of the Company as to the future financial performance of the Companies. We express no opinion as to the Companies' financial forecasts or the respective assumptions on which they are made. It may be noted that actual results during the forecast period often differ from the forecasts.



Signature

Jefferies

Our Opinion is based on economic, monetary, regulatory, market and other conditions existing and which can be evaluated and the information made available to us as of, the date hereof. It should be understood that subsequent developments including in relation to any contingent liabilities, change in share capital and any effect on market prices of trading volumes of shares in the Company after announcement of the Scheme and other information that becomes available after the date of our Opinion and we do not have any obligation to update, revise or reaffirm our Opinion. Delivery of our Opinion does not create any fiduciary, equitable or contractual duties on us (including, without limitation, any duty of trust or confidence). Our opinion does not take into account any corporate actions of the Companies after the date hereof, including payment of any dividends. We note that the Scheme provides for a potential fund raise by Stelis through the issuance of shares during the period between the date of approval of the Scheme by boards of the Companies till the date of allotment of shares by Stelis pursuant to Scheme. Such fund raise may have a dilutive impact on the post Scheme shareholding of Stelis and this Opinion does not purport to cover any impact of any such fund raise. Accordingly, we expressly disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting our Opinion of which we become aware after the date hereof and we have not assumed any responsibility to update, revise or reaffirm our Opinion. Our Opinion does not factor overall economic environmental risk and other risks, and we have not assumed the risk of any material adverse change having an impact on the business of the Companies in arriving at this opinion.

Our Opinion does not address any legal, regulatory, tax or accounting matters. We have made no independent investigation of, and assume no responsibility or liability in connection with, any legal, regulatory, tax or accounting matters affecting the Companies or any of their respective affiliates, and we have assumed the correctness in all respects material to our analysis of all legal, regulatory, tax and accounting advice given to Companies and their respective affiliates and the Company and its Board of Directors or Companies and their respective Board of Directors, including, without limitation, advice as to the legal, regulatory, accounting and tax consequences of the terms of, and transactions contemplated by, the Scheme to the Companies and their respective affiliates. We understand that the Companies have obtained such advice as they deemed necessary from qualified professionals with respect to the Transaction, and otherwise. Further, we have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities to which the Companies are or may be party or are or may be subject, or of any government investigation of any possible unasserted claims or other contingent liabilities to which the Companies are or may be a party or is or may be subject. We are not actuaries and our services did not include actuarial determination or evaluations by us or any attempts by us to evaluate any actuarial assumptions.

In addition, in preparing this Opinion, we have not taken into account any accounting or tax consequences of the transaction to the Companies or any of their respective affiliates. Our Opinion also does not address any matters other than as expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. Our Opinion also does not cover any aspects pertaining to any specific shareholders of the Companies. To the extent that there may be existing, directly or indirectly, any common ownership of shares of the Companies, we have not considered any aspects pertaining to the same, since our Opinion is only limited to the fairness, from a financial point of view, of the Share Entitlement Ratio arrived at by the Valuer. We also have assumed,



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with your consent, that the Transaction will be treated as a tax-free reorganization for Indian income tax purposes.

We have not expressed any opinion on the impact of any contractual terms under the Scheme on the valuation of the Companies. We have assumed with your consent that the final forms of the Scheme will be substantially similar to the last drafts reviewed by us and that the Scheme will be consummated in accordance with, and on the basis of, the terms of the Scheme, in compliance with applicable laws and regulations, without any waiver, amendment or breach of any term or condition thereof. We have also assumed that in the course of obtaining the necessary regulatory or shareholder or third party (including creditor) approvals, consents and releases for the Scheme, or in the implementation of the same, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on any party to the Transaction, the Companies, the contemplated benefits of the Transaction. Further, we have assumed that there will not be any adverse rulings or proceedings whatsoever (whether of any court, regulatory body or otherwise) arising out of or in relation to the Scheme or the Transaction as contemplated.

In addition, we were not requested to and did not provide advice concerning the structure, the specific amount of the consideration to be offered, or any other aspects of the Transaction or the Scheme, or to provide services other than the delivery of this Opinion. We were not requested to, and we did not, participate in the negotiations for the Transaction or the Scheme. In light of the nature of the Scheme, we were not authorised to and did not solicit any expressions of interest from any other parties with respect to the sale of all or any part of the Company or any other alternative transaction and we did not participate in the structuring or any negotiations with respect to the terms of the Scheme and related transactions. Consequently, we have assumed that such terms are the most beneficial terms from the Company's perspective that could under the circumstances be achieved, and no opinion is expressed whether any alternative transaction might result in consideration more favourable to the Company than that contemplated by the Scheme.

It is understood that our Opinion is for the use and benefit of the Board of Directors of the Company in its consideration of the Share Entitlement Ratio, and shall not be used for any other purpose. Our Opinion should not be construed as an investment proposition to buy or hold or sell shares in the Companies the context of the Scheme, or any business or commercial decision to vote in favour of, or against, the Scheme. Our Opinion does not constitute an opinion or recommendation as to whether any holder of shares or securities in the Companies should vote in favour of, or against, the Scheme or any matter related thereto. Furthermore, our Opinion does not address any term (other than the Share Entitlement Ratio to the extent expressly specified herein) or other aspects or implication of the Scheme, including without limitation, the form or structure of the Scheme, any voting agreement, indemnification agreement or any other agreement, arrangement or understanding to be entered into in connection with or contemplated by the Scheme. We express no opinion or view with respect of the financial implication of the Transaction or Scheme for any stakeholders, including creditors of the Companies. In addition, you have not asked us to address, and this Opinion does not address, the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of the Companies. Our Opinion addresses only the fairness, from a financial point of view, of the Share Entitlement Ratio to the shareholders of the Company and does not address any other aspect or implication of the Transaction including



the likelihood of the consummation of the Transaction, in particular it also does not address the share entitlement ratio for the demerger of Demerged Undertaking 2 from Steris Science to Stelis; corporate governance; shareholders rights or any other equitable considerations. We express no opinion as to the price at which shares of the Company or the Resulting Company will trade at any time. Specifically, we are expressing no opinion herein as to the value of the equity shares of the Company or the Resulting Company or the price at which the equity shares of the Company or the Resulting Company will trade following the announcement or consummation of the Transaction (including the Scheme) or as to the financial performance of the Companies following the consummation of the proposed Scheme. Furthermore, we do not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any consideration to be paid in connection with the Transaction to the holders of any other class of securities, creditors or other constituencies of any party to the Transaction. Further, we express no opinion or view with respect to the fairness (financial or otherwise) of the amount or nature of any compensation payable or to be received by any of the Companies' or their affiliates' respective officers, directors or employees, or any class of such persons, in connection with the Transaction. As you are aware, the credit, financial and stock markets have experienced volatility and we express no opinion or view as to any potential effects of such volatility on the shares of the Company or the Resulting Company or the Scheme (including the contemplated benefits thereof). Our Opinion is not to be treated as a valuation of shares in the Companies under any law.

We will receive a fee for issuance of this Opinion, which shall be payable upon delivery of this Opinion. The fee for our services is not contingent upon the results of the Transaction nor on the conclusion contained in this Opinion. The Company has agreed to reimburse our actual out of pocket expenses and to indemnify us against liabilities arising out of or in connection with the services rendered and to be rendered by us under such engagement. We have, in the past, provided financial advisory to the Company and /or its affiliated parties and may continue to do so and have received, and may receive, fees for the rendering of such services. In the ordinary course of our business, we and our affiliates may trade or hold securities of the Company or the Resulting Company and/or their respective affiliates for our own account and for the accounts of our customers and, accordingly, may at any time hold long or short positions in those securities. In addition, we may seek to, in the future, provide financial advisory and financing services to the Company or the Resulting Company and/or their respective affiliates for which we would expect to receive compensation.

This Opinion is to be read in totality, and not in parts, and should also be read in conjunction with the relevant documents referred to herein.

Except as otherwise expressly provided herein or in our Engagement Letter, our Opinion shall not be used or referred to by the Company or any of its affiliates, or quoted or disclosed or reproduced, referred to, or communicated to any person in any manner or for any purpose whatsoever, in whole or in part, without our prior written consent except that a copy of this Opinion may be in its entirety (i) included in any filing the Company is required to make with the Securities and Exchange Board of India, the National Company Law Tribunal(s), BSE Limited, National Stock Exchange of India Limited and other statutory authorities in connection with the Demerger if such inclusion is mandatorily required by applicable law, (ii) disclosed on the website of the Company in accordance with SEBI Scheme Circular, and (iii) made part of the explanatory statement to be circulated to the shareholders and creditors of the



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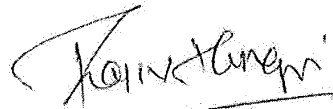
Companies. We accept no responsibility to any person other than the Company's Board of Directors in relation to the contents of this Opinion even if it is disclosed to such person with our consent. We specifically disclaim any responsibility to any third party to whom this Opinion may be shown or who may acquire a copy of this Opinion. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person including any fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents. The final responsibility for the determination and approval of the Share Entitlement Ratio will be with the Board of Directors of the Company who should take into account all relevant factors including their own assessment of the Scheme and inputs of other advisors.

IV. Conclusion:

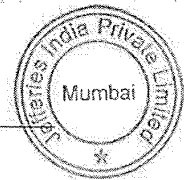
Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof, the Share Entitlement Ratio recommended by the Registered Valuer in the Valuation Report is fair, from a financial point of view, to the shareholders of the Company.

Sincerely,

JEFFERIES INDIA PRIVATE LIMITED



Authorised Signatory



Annexure J

This abridged prospectus is prepared in compliance with the requirements under Regulation 32 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI NCS Regulations, 2021”) read the Master Circular dated May 22, 2024 bearing reference no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54, as amended from time to time in respect of schemes of arrangement (“Master Circular”), to the extent applicable (“Abridged Prospectus”).

This Abridged Prospectus contains applicable information pertaining to the unlisted entity, i.e., Steriscience Specialties Private Limited (“Steriscience”/ “Company”/ “Transferor Company-2”/“Demerged Company-2”) involved in the proposed scheme of arrangement amongst Strides Pharma Science Limited (“Strides”/“Transferor Company-1”/“Demerged Company-1”) and Steriscience Specialties Private Limited (“Steriscience”/ “Company”/ “Transferor Company-2”/“Demerged Company-2”) and Onesource Specialty Pharma Ltd (formally Stelis Biopharma Limited) (“OSPL”/“Transferee Company”/“Resulting Company”) and their respective shareholders (“Scheme”/“Scheme of Arrangement”) pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 (“Companies Act”) read with other applicable provisions and the rules thereunder as well as sets out the salient features of the Scheme.

THIS ABRIDGED PROSPECTUS CONTAINS 9 PAGES.

NO EQUITY SHARES ARE PROPOSED TO BE ISSUED OR OFFERED PURSUANT TO THIS ABRIDGED PROSPECTUS.

THIS DOCUMENT DATED AUGUST 06, 2024 SHOULD BE READ TOGETHER WITH THE SCHEME AND THE NOTICE TO THE SHAREHOLDERS/CREDITORS (AS APPLICABLE) OF STRIDES.

You may also download the Scheme from the websites of the Strides where the equity shares of the Resulting Company are listed i.e., the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”) (the NSE and the BSE are collectively referred to as the “Stock Exchanges”) viz. www.steri-science.com, www.nseindia.com and www.bseindia.com respectively.



Steriscience Specialties Private Limited

CIN: U24304MH2020PTC424881

Date of Incorporation: August 29, 2020

REGISTERED OFFICE	CORPORATE OFFICE	DIRECTOR and COMPLIANCE OFFICER	EMAIL AND TELEPHONE	WEBSITE
201, Devavrata, Sector 17 Vashi, Navi Mumbai, Thane, Maharashtra, India - 400703	201, Devavrata, Sector 17 Vashi, Navi Mumbai, Thane, Maharashtra, India - 400703	Chandrappa Seetharamaiah	info@steri-science.com Tel No.: +91 80 67840000	www.steri-science.com

BRIEF DESCRIPTION OF THE ISSUE

• Security Name	NA
• Nature of Instrument : (Secured/ Unsecured)	NA
• Option to retain oversubscription (Amount)	NA
• Details of Coupon/ Dividend (fixed or floating or other structure/rate/frequency)	NA
• Rating of the instrument	NA
• Name of the Debenture Trustee	NA
• Issue opening date	NA
• Name of the Stock Exchange(s) where it will be listed	NA

• Type of the Instrument	NA
• Base Issue size	NA
• Face Value	NA
• Redemption date; Tenor	NA
• Name of the Merchant Banker	NA
• Name of the Credit Rating Agency	NA
• Issue closing date	NA
• Any other information	NA

GENERAL RISKS

Not Applicable (Since there is no invitation to public for subscription by way of this document) Specific attention of the readers is invited to “**Internal Risks Factors**” on Page No. 6 of the Abridged Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Steriscience, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus does contain and will contain all information with regard to the Issuer and the Issue, which is material in the context of the Issue; that the information contained in the Prospectus will be true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect at the time of the relevant issue. - Not Applicable as the offer is not for public at large

Specified attention of the investors is invited to the section titled “Risk Factors” on page 6 of the Abridged Prospectus.

CREDIT RATING

Name of Credit Rating Agency(ies)	Rating(s) obtained	Date(s) of the press release of the Credit Rating Agency
Not Applicable as the offer is not for public at large		

LISTING

Not Applicable (Since there is no invitation to public for subscription by way of this document).

PROMOTORS

Sr. No.	Name	Individual / Corporate	Experience and Educational Qualification
1.	Tenshi Pharmaceuticals Private Limited	Corporate	<p>Experience: Tenshi Pharmaceuticals is a Private Limited Company incorporated on July 01, 2016. It is engaged in business of research and development, manufacture, produce, sell, import, export, distribute, trade and deal otherwise in all kinds of pharmaceutical drugs and medicines in India or elsewhere in the world.</p> <p>Educational Qualification: Not Applicable</p>

BOARD OF DIRECTOR

Sr. No.	Name	Designation	Experience and Educational Qualification	Directorship/Partnership in other companies/LLP
1.	Mr. Aditya Kumar	Director	<p>Mr. Aditya Kumar holds a bachelor's degree in biomedical sciences from Newcastle University and a Master of Research in Biophysics from Kings College, London.</p> <p>Aditya has been leading the global partnered business at Strides since June 2022.</p> <p>Aditya has over 10 years of experience in the pharma industry predominantly in Business Development roles. Before heading the B2B business for Strides, he was also responsible for integrating two acquired consumer divisions.</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • Steribrooks Penems Private Limited • Velbiom Probiotics Private Limited • Tenshi Kaizen Private Limited • Strides Pharma Science Limited • Karuna Business Solutions LLP <p><u>Foreign Companies</u></p> <ul style="list-style-type: none"> • Tenshi Kaizen Private Limited, UK • Steriscience Pty Ltd, Australia • Tenshi Kaizen Pharma Ltd, Canada • Steriscience Private Limited, UK • UCL Brands Limited • Universal Corporation Limited
2.	Mr. Neeraj Sharma	Director	<p>Mr. Neeraj Sharma holds a bachelor's degree in engineering from Delhi College of Engineering and a MBA in Business Management from Institute of Management Technology Ghaziabad.</p> <p>In a global career of 27 years, Neeraj has lived and worked in pharma markets in India, South-East Asia, Latin America, and Europe. In his previous role as the Head of Generics Business for Western Europe for Sun Pharma, he has successfully built a significant sterile injectables business in Europe, including many first-to-market ready-to-use products.</p> <p>Currently he is Managing Director of OneSource Specialty Pharma Limited</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • Onesource Specialty Pharma Limited <p><u>Foreign Companies</u></p> <ul style="list-style-type: none"> • Fargon NV, Netherlands • Steriscience Pte Ltd, Singapore
3.	Mr. Mahadevan Narayanamoni	Director	<p>Mr. Mahadevan Narayanamoni is an alumnus of Indian Institute Technology (IIT), Madras and Indian Institute of Management (IIM), Lucknow.</p> <p>He is a Senior Advisor to TPG Capital, a global private equity fund manager, also co-founded Akna</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • KIMS AI Shifa Healthcare Private Limited • United Ciigma Institute of Medical Sciences Private Limited • Onesource Specialty Pharma Limited

			<p>Medical, hospital-focused medical distribution platform in India, which was acquired by API Holdings (Pharmeasy).</p> <p>Prior to TPG, he spent over 15 years in the UK and India with Grant Thornton and PwC, on M&A, IPOs, capital raising and performance improvement/ restructuring, and Hindustan Unilever Ltd, where he worked on several supply chain improvement projects.</p>	<ul style="list-style-type: none"> • Ramkrishna Care Medical Sciences Private Limited • Akna Medical Private Limited • Quality Care India Limited • Karbonite Ventures LLP • TCAMP Holding LLP <p><u>Foreign Companies</u> None</p>
4.	Mr. Chandrappa Seetharamaiah	Director	<p>Mr. Chandrappa Seetharamaiah holds a Post Graduation degree in Material management and a Bachelor's degree in Commerce.</p> <p>Having overall 36 years of Experience in Finance, Operations and Corporate Strategies. Worked in TCI Group, IFB and Coco Cola (Bharat Coco Cola Ltd.) and Strides Pharma Sr. Vice President (Corporate Strategy) with Strides Pharma Limited, a Pharmaceutical Company, Since May 1999 working with Mr. Arun Kumar Founder Promoter and Managing Director of Strides Pharma Limited till March 2019 from April 2019 Moved to Mr. Arun Kumar family office, taking care of their investments.</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • Skanray Healthcare Global Private Limited • Tenshi Kaizen Private Limited • Hydra Active Pharma Sciences Private Limited • Pronomz Holdings Private Limited • Naari Pharma Private Limited • Farmgenus Private Limited • Zion Business Ventures LLP • Atma Enterprises LLP • Qualichem Remedies LLP • Chayadeep Ventures LLP • Agnus Capital LLP • Triumph Venture Holdings LLP • Pronomz Ventures LLP • Karuna Consultancy Services LLP • SRJR Enterprise LLP • Seekers Ally LLP • Agnus Ventures LLP • Tenshi Ventures LLP • Skanray Healthcare Partners LLP • Devicam Capital LLP • Six Rays LLP • Foursquare Pharma Solutions LLP <p><u>Foreign Companies</u></p> <ul style="list-style-type: none"> • Tenshi Kaizen Private Limited, UK • Tenshi Kaizen Pharma Pte Ltd, Singapore • Tenshi Kaizen Pharma Canada Ltd

				<ul style="list-style-type: none"> • Tenshi Kaizen BV, Netherlands
5.	Mr. Bhushan Sudhir Bopardikar	Director	<p>Bhushan is having BS. (Hons.) in Industrial Engineering and Economics from Purdue University</p> <p>Bhushan is a Principal at TPG Growth based in Mumbai.</p> <p>Prior to joining TPG in 2019, he worked with Eight Roads Ventures, the private equity arm of Fidelity. He started his career in consulting and has also worked for an Indian private equity fund, Samara Capital.</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • Onesource Specialty Pharma Limited • Asian Institute of Nephrology and Urology Private Limited • Nova Medical Centers Private Limited • Rhea Healthcare Private Limited • Karbonite Ventures LLP <p><u>Foreign Companies</u></p> <p>None</p>
6.	Mr. Chhitiz Saraogi	Director	<p>Mr. Chhitiz is a member of The Institute of Chartered Accountants of India.</p> <p>He joined Steriscience in November 2022.</p> <p>His past stint includes Manjushree Technopack Limited, Diageo India, Tata Steel and Sundaram Clayton Limited.</p>	<p><u>Indian Companies</u></p> <ul style="list-style-type: none"> • Steribrooks Penems Private Limited <p><u>Foreign Companies</u></p> <ul style="list-style-type: none"> • Steriscience Specialties Pte Limited, Singapore • Steriscience Pte Ltd, Singapore • Steriscience B.V. • Steriscience Pty Ltd, Australia • Steriscience Private Limited, UK • Steriscience Sp. Zoo, Poland

BUSINESS OVERVIEW	
Company Overview	<p>Steriscience is a private limited company incorporated under the Companies Act, 2013, in the name of Steriscience Pharma Private Limited, pursuant to a certificate of incorporation dated August 29, 2020, bearing corporate identification number (“CIN”) U24304KA2020PTC137884 issued by Registrar of Companies, Central Registration Centre. Subsequently pursuant to a Special resolution passed at the EGM dated September 17, 2020, our name of our Company was changed to ‘Steriscience Specialties Private Limited’ and a fresh certificate of incorporation dated October 09, 2020 bearing CIN U24304KA2020PTC137884 was issued by the Registrar of Companies, Bangalore. The Hon’ble Regional Director, Hyderabad, vide its order dated February 02, 2024, has sanctioned a Petition for shifting of the Registered Office of the company from the State of Karnataka to the State of Maharashtra. Accordingly, the company, upon registration of the said order, obtained a fresh certificate of incorporation dated May 08, 2024, bearing CIN U24304MH2020PTC424881 from the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification (CIN) of the Company is U24304MH2020PTC424881 and the Permanent Account Number (PAN) is ABECS3133N.</p> <p>Headquartered in Bangalore, Steriscience is an emerging sterile injectable company with a differentiated global strategy driven by strong capabilities across R&D and manufacturing and a clear focus on becoming a reliable partner to its customers. The Company is engaged in the business</p>

	<p>of contract development, manufacturing and supply of carbapenems, pre-filled syringes, liquid vials, lyophilized vials, injectable bags and peptides.</p> <p>Business Strategy</p> <p>The Company is strategically focusing on enhancing shareholder value by growing through organic and inorganic means and creating a Specialty Pharma CDMO covering Biologics, complex Injectables and Oral Technologies (Softgelatin capsules).</p> <p>By enhancing its expertise in biologics, oral soft gels, complex injectables, sterile injectables, and other advanced drug delivery systems, the company aims to offer a broad range of development and manufacturing services. This will enable to offer a broad range of development and manufacturing services, including platform technologies, specialty injectables, complex generics, biosimilars, and biologics. Further, it would lead to sharing and better utilisation of Research and Development Facility for CDMO Business.</p>
Product/Service Offering:	General injectables
Geographies Served:	North America, Europe, Latin America, and APAC.
Client Profile or Industries Served:	General Injectables, Penicillin & Carbapenems
Intellectual Property, if any :	NA
Manufacturing plant, if any	India (3; 1 is JV)
Employee Strength:	779 employees as on date

RISK FACTORS

Sr. No.		
1.	Quality	Product quality issues, product efficacy issues, product recalls which can all lead to rejections, product recalls, financial and reputational loss
2.	Regulatory	Critical inspection observations resulting in supply disruption and business continuity
3.	R&D	Delay in regulatory product approvals and consequent delay in product launches, impacting our business plans
4.	Marketing	Impact on the pricing of products as a result of competition, regulations, high input costs and high cost of manufacturing leading to margin erosion
5.	Operations	Impact on business continuity due to natural calamity/disasters/accidents and non-compliance to EHS Standards
6.	Information Technology	Cyber Attacks (Malware, phishing, ransomware), security breaches, threats to information system causing financial, reputational and legal damages to the organization.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

(A) Total number of outstanding litigations by and against the Company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved
Company						
By the Company	Nil					
Against the Company						
Directors						
By the Directors	Nil					
Against the Directors						
Promoter						
By the Promoter	Nil					
Against the Promoter						
Subsidiaries						
By Subsidiaries	Nil					
Against Subsidiaries						

(B) Brief details of top 5 material outstanding litigations against the Company and amount involved

As on date, there are no material outstanding litigations against the Company.

(C) Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company, if any.

NA

(D) Brief details of outstanding criminal proceedings against Promoters: -

As on date, there are no outstanding criminal proceedings against the Promoters of the Company.

DECLARATION

We, hereby, declare that all applicable provisions in connection with the issue, including under the Companies Act 1956, Companies Act 2013, and the directions/ regulations issued by Government of India or SEBI or any other competent authorities in this respect from time to time, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the such requirements. We, further certify that the Prospectus does not omit disclosure of any material information that may make the statements made herein, in the light of the circumstances in which they were made, misleading and that all statements in the Prospectus are true and correct in all material respects.

For Steriscience Specialties Private Limited

CHANDRAPPA
SEETHARAMAIAH

Digitally signed by CHANDRAPPA
SEETHARAMAIAH
Date: 2024.08.06 18:38:50 +05'30'

Chandrappa Seetharamaiah
Director

Date: August 06, 2024

Place: Bangalore

FINANCIAL HIGHLIGHTS

(Rs. In million except EPS)

STANDALONE				
Particulars	For Financial Year ended March 31, 2024	For Financial Year ended March 31, 2023	For Financial Year ended March 31, 2022	For Financial Year ended March 31, 2021
	Unaudited	Audited	Audited	Audited
Total income from operations (net)	3,946.29	3,111.95	674.23	14.16
Net Profit / (Loss) before tax and extraordinary items	(96.00)	(406.81)	(385.05)	(96.17)
Net Profit / (Loss) after tax and extraordinary items	(96.00)	(406.81)	(385.05)	(96.17)
Equity Share Capital	0.19	0.19	0.17	0.14
Reserves and Surplus	(35.04)	71.50	302.42	265.79
Net worth	(34.85)	71.69	302.59	265.93
Basic earnings per share (Rs.)	(4,994.28)	(22,603.07)	(22,472.86)	(7,944.65)
Diluted earnings per share (Rs.)	(4,599.68)	(22,603.07)	(22,472.86)	(7,944.65)
Return on net worth (%)	-275%	-567%	-127%	-36%
Net asset value per share (Rs.)	(1,813.03)	3,729.58	17,311.63	19,631.63

(Rs. In million except EPS)


CONSOLIDATED				
Particulars	For Financial Year ended March 31, 2024	For Financial Year ended March 31, 2023	For Financial Year ended March 31, 2022	For Financial Year ended March 31, 2021
	Unaudited	Audited	Audited	Audited
Total income from operations (net)	4,060.18	NA	NA	NA
Net Profit / (Loss) before tax and extraordinary items	-422.18	NA	NA	NA
Net Profit / (Loss) after tax and extraordinary items	-526.08	NA	NA	NA
Equity Share Capital	0.19	NA	NA	NA
Reserves and Surplus	-633.55	NA	NA	NA
Net worth	-633.36	NA	NA	NA
Basic earnings per share (Rs.)	-27,368.64	NA	NA	NA
Diluted earnings per share (Rs.)	-25,206.27	NA	NA	NA
Return on net worth (%)	-66.66%	NA	NA	NA
Net asset value per share (Rs.)	-32,949.22	NA	NA	NA

OBJECT OF THE ISSUE

Steriscience Specialties Private Limited does not propose to raise any capital and its equity shares are unlisted.

ISSUE PROCEDURE

CONTACT DETAILS:

Name	Address	Tel:	E-mail:	Investor Grievance Email:	Website	Contact Person	Registration No
LEAD MANAGERS							
Not Applicable							
CONSORTIUM/LEAD BROKERS							
Not Applicable							
REGISTRAR TO THE ISSUE							
 KFin Technologies Limited	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Rangareddy, Hyderabad, Telangana, 500032, India	040 - 1800 309 4001	unservice s@kfintec h.com	-	https://w ww.kfin tech.co m/	Hanumantha Rao Patri s Assistant Vice President – Corporate Registry	INR0 0000 0221
DEBENTURE TRUSTEE							
Not Applicable							
CREDIT RATING AGENCY							
Not Applicable							
BANKERS TO THE ISSUE AND SPONSOR BANK							
Not Applicable							

To,
The Board of Directors,
Onesource Specialty Pharma Ltd
201, Devavrata, Sector 17, Vashi,
Navi Mumbai — 400 703

Dear Sir/ Madam,

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to the unlisted Company i.e. Steriscience Specialties Private Limited (“Steriscience”/ “Company”/ “Transferor Company-2”/“Demerged Company-2”), in the format prescribed for abridged prospectus as specified in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI NCS Regulations, 2021”) read the Master Circular dated May 22, 2024 bearing reference no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54, as amended from time to time, to the extent applicable, for the purpose of Scheme of Arrangement amongst Strides Pharma Science Limited (“Strides”/“Transferor Company-1”/“Demerged Company-1”) and Steriscience Specialties Private Limited (“Steriscience”/ “Company”/ “Transferor Company-2”/“Demerged Company-2”) and Onesource Specialty Pharma Ltd (formally Stelis Biopharma Limited) (“OSPL”/“Transferee Company”/“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 and Section 66 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (collectively the “Act”) and all other applicable acts, rules and regulations, (hereinafter referred to as the “Scheme”).

We, Kunvarji Finstock Private Limited (“KFPL”, “Kunvarji”, “We” or “us”), a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012564 have been appointed by Board of Directors (“Board”) of Onesource Specialty Pharma Ltd, (CIN U74140KA2007PLC043095) for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to the unlisted Company, Steriscience Specialties Private Limited (CIN: U24304MH2020PTC424881) in the format prescribed for abridged prospectus as specified in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, involved in the proposed Scheme of Arrangement amongst Strides Pharma Science Limited (“Strides”/“Transferor Company-1”/“Demerged Company-1”) and Steriscience Specialties Private Limited (“Steriscience”/ “Company”/ “Transferor Company-2”/“Demerged Company-2”) and Onesource Specialty Pharma Ltd (formally Stelis Biopharma Limited) (“OSPL”/“Transferee Company”/“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 and Section 66 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (collectively the “Act”) and all other applicable acts, rules and regulations, (hereinafter referred to as the “Scheme”).

Kunvarji Finstock Pvt. Ltd.

☎ +91 79 6666 9000 ✉ mb@kunvarji.com

🏢 Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Ahmedabad - 380 051.

Corporate Office : "1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema,

Near Western Express Highway - Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979



www.kunvarji.com

Scope and Purpose of the Certificate

As required under SEBI Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 (“SEBI Circular”) inter alia prescribed that the present case **Onesource Specialty Pharma Ltd, (CIN: U74140KA2007PLC043095)** shall include the applicable information pertaining to the unlisted entity involved in the Scheme, in the present case being **Steriscience Specialties Private Limited (CIN: U24304MH2020PTC424881)**, in the format specified for Abridged Prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI NCS Regulations, 2021”), in the explanatory statement or notice or proposal accompanying resolution to be passed, will be sent to the shareholders while seeking approval of the Scheme. SEBI Circulars further prescribe that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above-mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

1. Certification:

We state and confirm as follows:

- 1) We have examined various documents and other materials made available to us by the management of **OSPL** and **Steriscience** in connection with finalization of disclosure document containing information in the format prescribed for abridged prospectus (“**Disclosure Document**”) dated August 06, 2024, pertaining to **Steriscience**, which will be circulated to the shareholders and creditors of **OSPL** at the time of seeking their consent to the Scheme of Arrangement of **OSPL** and **Steriscience** as a part of explanatory statement to the notice.
- 2) Based on the information, documents, confirmation, representation, undertakings and certificates provided to us by **OSPL** and **Steriscience** and as well discussions with their management, Directors and officers, we confirm that, the information contained in the Disclosure Document of **Steriscience** is adequate and accurate in the terms of the SEBI Circulars read with SEBI NCS Regulations, 2021.

2. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of **Steriscience**.
- Carrying out a market survey / financial feasibility for the Business of **Steriscience**.
- Financial and Legal due diligence of **Steriscience**.

Kunvarji Finstock Pvt. Ltd.

☎ +91 79 6666 9000 ✉ mb@kunvarji.com

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CIN - U65910GJ1986PTC008979



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It may be noted that in carrying out our work, we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of **OSPL** and **Steriscience**.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of **OSPL** and **Steriscience**, during our discussions with them, would have drawn our attention to all such information and matters which may have an impact on our Certificate.

The fee for our services is not contingent upon the result of the Scheme.

The management of **OSPL** and **Steriscience** or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate.

Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the Company or any of its related parties (holding companies/subsidiaries/associates etc.)

In no event, KFPL, its Directors and employees will be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Yours faithfully,

For, Kunvarji Finstock Private Limited

Satish

Virjibhai

Bhanushali

Digitally signed by
Satish Virjibhai
Bhanushali
Date: 2024.08.06
19:59:48 +05'30'

Satish Bhanushali

Compliance Officer

Date: August 06, 2024

Place: Mumbai

Kunvarji Finstock Pvt. Ltd.

☎ +91 79 6666 9000 ✉ mb@kunvarji.com

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