Sequent
Proven Ability In Life Sciences

ALIVIRA

SEQUENT SCIENTIFIC LIMITED

Annual Report 2023-24

SeQuent Scientific Limited

is India's leading company in Animal Health, recognised for its rapidly expanding global footprint. Our unique business model encompasses both APIs and formulations, enabling us to deliver innovative, high-quality products to our customers worldwide.

OUR VISION

To be a leading integrated animal health company committed to quality veterinary solutions globally.

OUR MISSION

To deliver quality products competitively, while adhering to high standard of quality, governance & compliance.

OUR VALUES

Adaptability

Any situation, anytime.
We adjust to new tasks and always appear flexible.

Accountability

Speak up. Step up.
We acknowledge and take responsibility for our actions and decisions.

Integrity

Do the right thing.

Always.
We respect one another and act honestly at all times.

Collaboration

We is stronger than me.
We encourage everyone to work together believing that the whole is greater than the sum of parts.

Continuous Improvement

Better each day.
We improve systems and procedures for better quality and cost efficiency.

FINANCIAL PERFORMANCE IN FY24

₹13,697 Mn

Revenue from operations

₹1,068 Mn

EBITDA (pre-ESOP)

7.8%

EBITDA margin (pre-ESOP)

OPERATIONAL ACHIEVEMENTS OF FY24

₹9,997 Mn

Revenue from formulations

₹3,260 Mn

Revenue from APIs

3

New formulation products launched

2

New API products launched

ENVIRONMENTAL PROGRESS IN FY24

73 kw

Solar capacity installed in Mahad (45,040 kWh generated till end of March 2024)

1,400

Trees planted near MIDC, Mahad, Maharashtra spanning 7,400 sq. m.

27%

Reduction in hazardous waste

3%

Reduction in water usage, equivalent to 4,734 KL

35%

Treated effluent recycled (28% in FY23)

Accelerated

Adoption of bio-briquettes at Mahad plant and replicate it at our Vizag plant

Contents

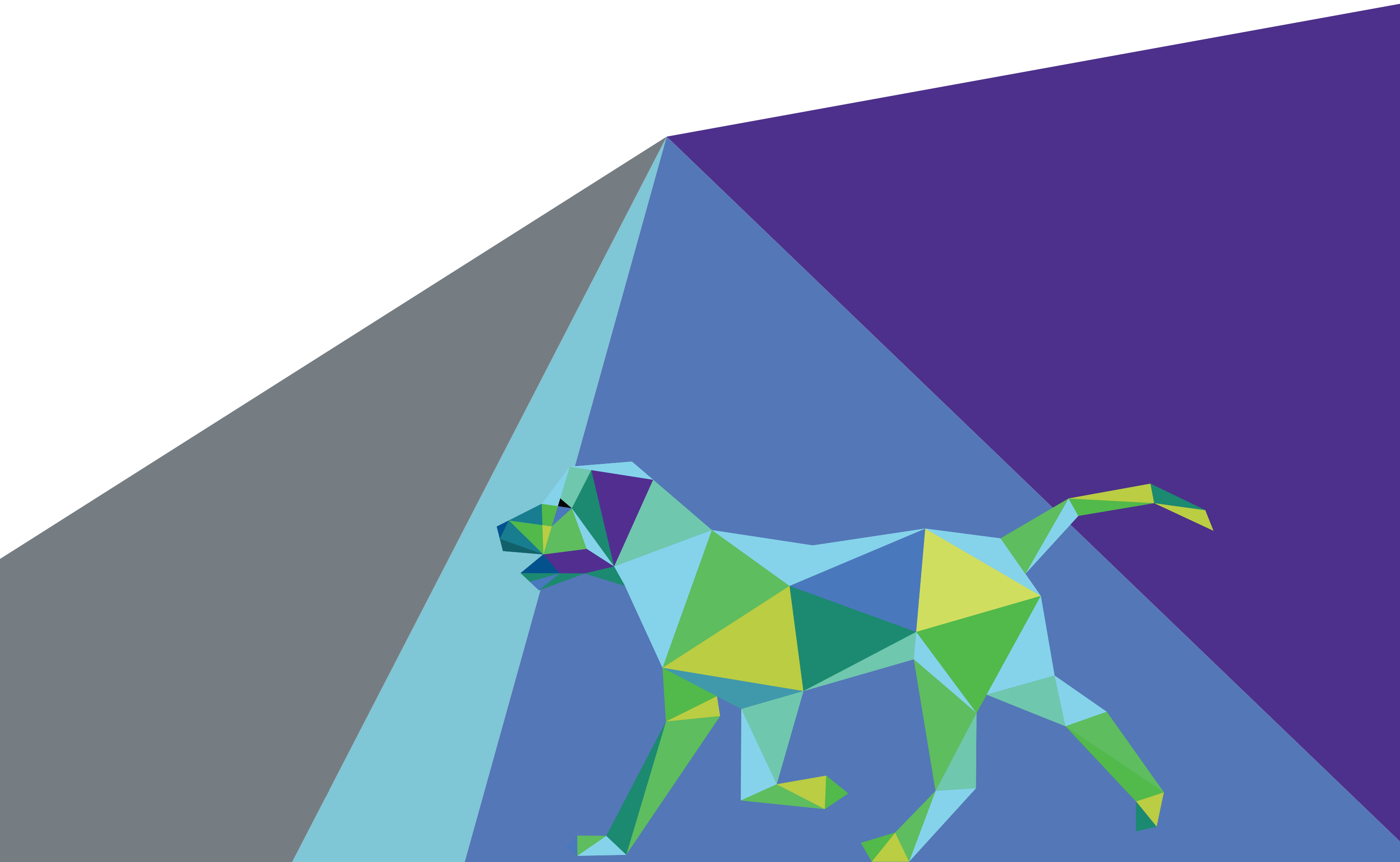
CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Strengthening our value proposition in animal healthcare

We offer a comprehensive suite of products, encompassing Active Pharmaceutical Ingredients (APIs), Finished Dosage Formulations (FDFs), and Analytical services, tailored to satisfy the worldwide demands of the animal health industry. Our manufacturing expertise spans the globe, with cutting-edge facilities located in Europe, Turkey, Brazil, and India, positioning us as one of the key players among the top 25 animal health enterprises globally.



AT A GLANCE

30+

Years of market excellence

~2/3

Revenues from regulated markets

30+

Commercial APIs

Largest

Animal health company from India

9

Strategic acquisitions

USD100 Mn+

Invested in R&D, manufacturing capabilities and building market presence

1,000+

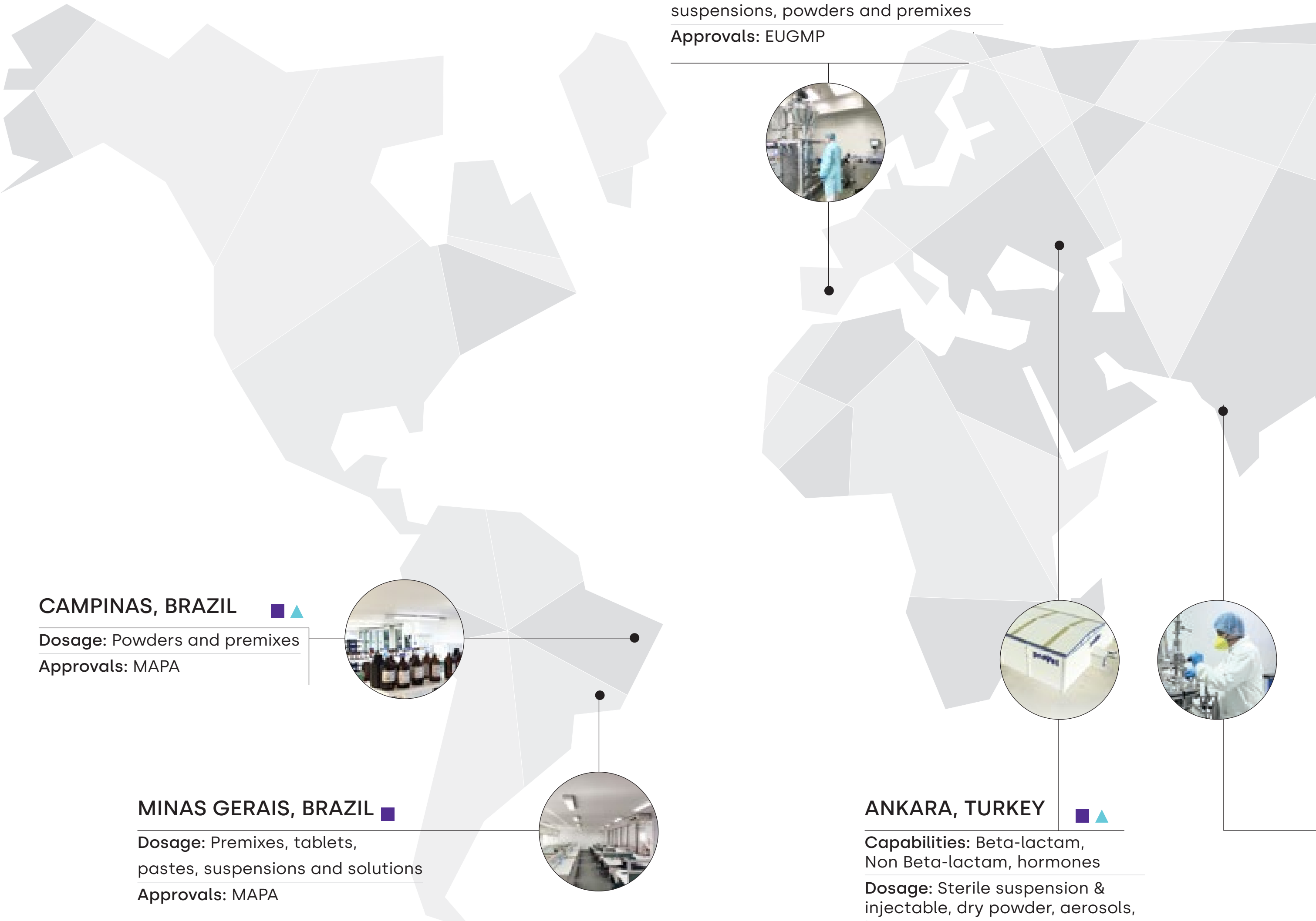
Product registrations across 12 dosage form

PRESENCE

Advancing with global scale to fuel growth

We are leveraging our robust manufacturing capabilities worldwide, strategically located in Europe, India, and key emerging markets such as Latin America and Turkey. Our extensive presence includes two API facilities, five formulation manufacturing sites, and five R&D centres, showcasing our diversified expertise. We remain committed to enhancing these capabilities by driving strategic investments to amplify both our manufacturing capacity and innovative breakthroughs.

KEY
● API
■ Formulations
▲ R&D Centres



BARCELONA, SPAIN ■ ▲

Capabilities: Dedicated beta-lactam powder block & nutritional

Dosage: Oral solutions/ suspensions, powders and premixes

Approvals: EUGMP

CAMPINAS, BRAZIL ■ ▲

Dosage: Powders and premixes

Approvals: MAPA

MINAS GERAIS, BRAZIL ■

Dosage: Premixes, tablets, pastes, suspensions and solutions

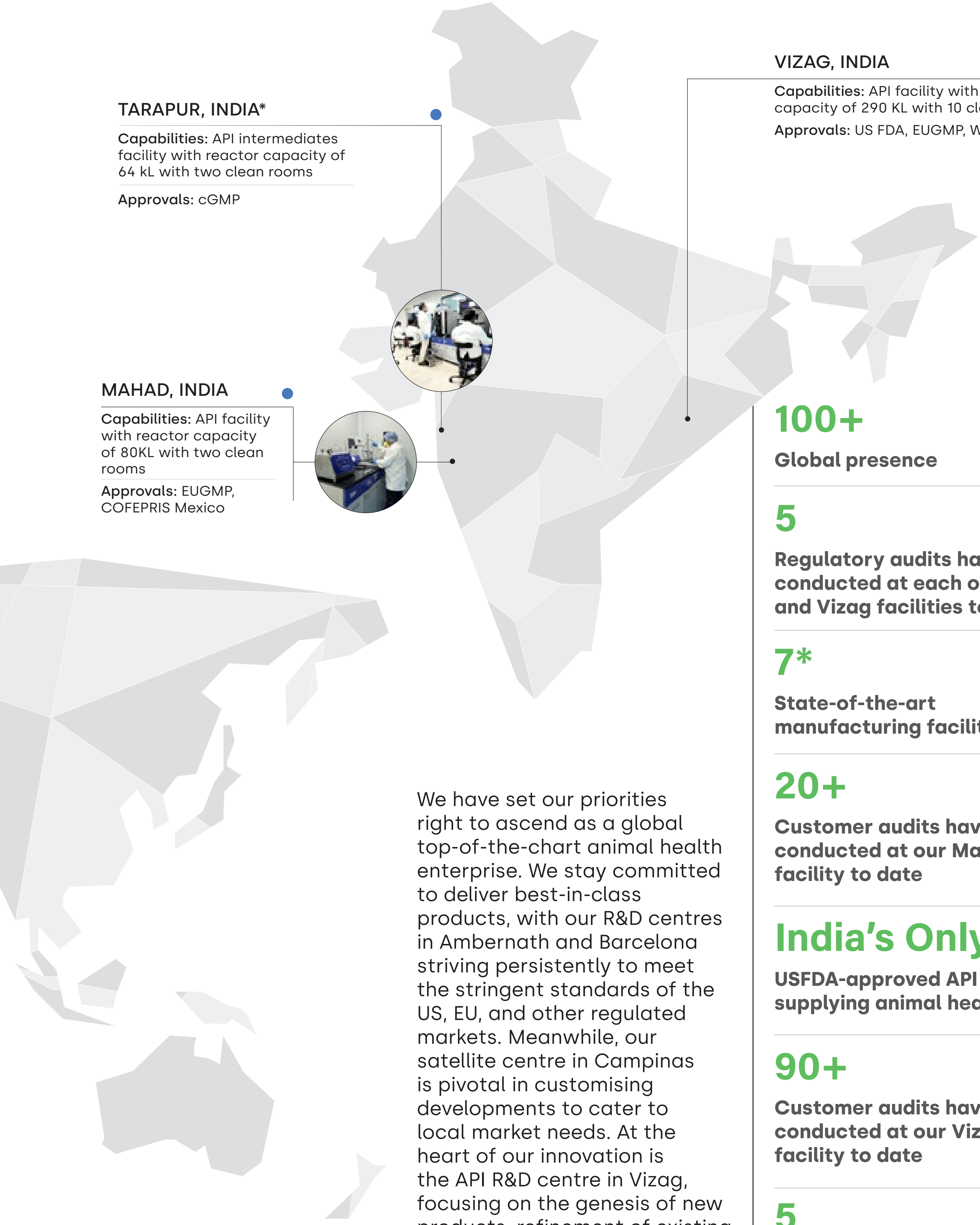
Approvals: MAPA

ANKARA, TURKEY ■ ▲

Capabilities: Beta-lactam, Non Beta-lactam, hormones

Dosage: Sterile suspension & injectable, dry powder, aerosols, intramammary, pour-on, spot-on, oral solutions/suspensions

Approvals: EUGMP, Turkish GMP



TARAPUR, INDIA* ●

Capabilities: API intermediates facility with reactor capacity of 64 kL with two clean rooms

Approvals: cGMP

MAHAD, INDIA ●

Capabilities: API facility with reactor capacity of 80KL with two clean rooms

Approvals: EUGMP, COFEPRIS Mexico

VIZAG, INDIA ● ▲

Capabilities: API facility with reactor capacity of 290 KL with 10 clean rooms

Approvals: US FDA, EUGMP, WHO-Geneva

AMBERNATH, INDIA ■ ▲

Capabilities: Sterile granules

Dosage: Oral solutions/suspensions, powders, and premixes

Approvals: cGMP, India, Uganda, Ethiopia, Kenya

Map not to scale

We have set our priorities right to ascend as a global top-of-the-chart animal health enterprise. We stay committed to deliver best-in-class products, with our R&D centres in Ambernath and Barcelona striving persistently to meet the stringent standards of the US, EU, and other regulated markets. Meanwhile, our satellite centre in Campinas is pivotal in customising developments to cater to local market needs. At the heart of our innovation is the API R&D centre in Vizag, focusing on the genesis of new products, refinement of existing offerings, and broadening of product applications. Our product portfolio continues to evolve, secured by robust technological acumen and R&D expertise.

100+

Global presence

5

Regulatory audits have been conducted at each of our Mahad and Vizag facilities to date

7*

State-of-the-art manufacturing facilities

20+

Customer audits have been conducted at our Mahad facility to date

India’s Only

USFDA-approved API facility supplying animal health APIs

90+

Customer audits have been conducted at our Vizag facility to date

5

Global R&D centres

*Tarapur plant operations discontinued during the year.

CHAIRMAN'S ADDRESS

Building for the long term

> “Our presence in key markets, coupled with the comprehensive play in animal health, presents exciting opportunities for our Company. While organic growth remains the priority, we are alert to seize any opportunities through strategic acquisitions in formulation and APIs to strengthen and expand our footprint.”

Dear Friends,

It is my privilege to write to you and present the annual report for FY24. While the global environment remains fluid, the economies of many countries have shown some recovery and seen less volatility as compared to the last year. Inflation however remains elevated in many parts of the world and continues to be an area of focus for most of the governments.

In our business, supply chains, which had been significantly disrupted after the COVID-19 pandemic, are becoming more resilient. Nevertheless, several geopolitical issues continue to be a cause of concern, requiring companies to be more agile and responsive.

~USD 51 bn

The global animal pharmaceutical market, valued at ~USD 38 billion in 2023, is projected to grow at a robust CAGR of around 8%, reaching ~USD 51 billion by 2027.

Turning our attention to the sectoral landscape, the global animal pharmaceutical market, valued at ~USD 38 billion in 2023, is projected to grow at a robust CAGR of around 8%, reaching ~USD 51 billion by 2027. This upward trajectory is driven by the increasing trend of pet ownership, heightened awareness among livestock farmers and a rising demand for protein. Increased pet ownership fuels demand for veterinary services and pet healthcare products. Additionally, a growing emphasis on preventive healthcare spurs demand for vaccines, diagnostics, and similar therapeutic products. All these factors continue to provide the structural momentum for the industry we participate in.

Last year our Company had initiated a series of initiatives to improve profitability and become more competitive for the long term. In the formulations business we have reshaped the product portfolio, expanded our presence in Phyto solutions and accelerated new launches. A combination of judicious pricing and product selection have yielded positive results especially in Europe, which is our largest market. Our API operations rolled out a comprehensive programme for improving operational efficiencies and commercialisation of new products. I am pleased to report significant progress in this area, which has translated into superior financial performance.

As a result of these transformational initiatives, the EBITDA of our Company has improved substantially, although revenue growth is muted due to discontinuation of some businesses as part of the strategic plan. We are now well-placed to accelerate our growth on the back of strategic investments in R&D, and a competitive cost base. Additionally, we have strengthened our go-to-market capabilities through increased on ground presence in key markets like India and Europe.

Our unique position in Animal Health, our international presence, high standards of governance and progressive people practices have strengthened our ability to attract top-tier talent. Our investments in quality and safety systems have been recognised and certified by multiple agencies like the USFDA, WHO, EU GMP and others. All our units remain committed to actively manage our environmental footprint and meet the stated ESG goals. We have established a comprehensive framework for managing all stakeholders ensuring the highest standards of compliance and governance.

Our presence in key markets, coupled with the comprehensive play in animal health, presents exciting opportunities for our Company. While organic growth remains the priority, we are alert to seize any opportunities through strategic acquisitions in formulation and APIs to strengthen and expand our footprint.

I wish to extend my heartfelt gratitude to all our employees who have demonstrated enormous resilience and drive to steer our Company towards greater success. I also acknowledge our distinguished Board of Directors for their continuous guidance during this crucial phase. We have received tremendous support from all stakeholders including financial institutions, government agencies, supplier and other partners. I am grateful for their contribution. Finally, a special thanks to all our shareholders for your confidence and encouragement.

Warm regards,

DR. KAMAL K SHARMA
Chairman

MANAGING DIRECTOR'S MESSAGE

Shaping a stronger tomorrow

> “We are uniquely positioned as an integrated player in veterinary medicines, combining our manufacturing capabilities with on-ground market presence. As the landscape of animal healthcare transforms, we are well-prepared and committed to meeting the expanding needs for customers and other stakeholders.”

Dear Shareholders,

I hope this letter finds you in good health. As we venture into a promising year ahead, I am delighted to present to you the performance and operational highlights of our Company for FY24.

The last year was marked by significant initiatives taken by our Company to strengthen its operations and build its competitive position across all its businesses and geographies. Today we are a globally recognised player, with a presence in over 100 countries.

We are uniquely positioned as an integrated player in veterinary medicines, combining our manufacturing capabilities with on-ground market presence. As the landscape of animal healthcare transforms, we are well-prepared and committed to meeting the expanding needs for customers and other stakeholders.

Our sector is bifurcated into two unique segments: healthcare products for production animals and those for companion animals. In recent years, the global market for production animal medications has encountered challenges stemming from escalating feed costs, driven upward by water scarcity and agricultural productivity constraints. These factors had impacted the demand for such medicines. We see early signs of improvement in the markets we operate in. Interventions by governments to support farmers combined with some industry consolidation has helped stabilise the market. On the other hand, the market for companion animal medications continues to witness acceleration in demand, propelled by increasing rates of pet adoption, extended lifespans of pets and availability of new treatments. With the support of robust R&D and manufacturing facilities, we are expanding the range of solutions to cater to the fast growing companion animal segment.

Early in the year we had outlined our priorities around reshaping the formulations and API business to drive profitable growth and accelerate innovation. I am happy to report that our Company is progressing well on that path. We had launched numerous initiatives over the last couple of years to sharpen the competitive edge of our business. I am delighted to announce that several of these initiatives, particularly those focused on improving operational profitability, are now starting to yield intended results, positively impacting our financial performance.

In FY24, we reported a revenue of ₹13,697 million, a marginal decrease from the ₹14,209 million reported in FY23. We continued to focus on building a quality business with top-notch customers and a strong sustainable portfolio on the revenue side. Adjusting for the discontinued operations in Europe and the currency depreciation in Turkey, we have seen a return to growth towards the end of the year. Our EBITDA increased 41% to ₹1,068 million in FY24, compared to ₹756 million in FY23, reflecting the efficacy of our profit improvement initiatives across all fronts. In FY24, we reported a net loss of ₹296 million compared to ₹1,220 million in FY23.

The formulations business witnessed a marginal decline in revenue for FY24, dropping to ₹9,997 million from ₹10,021 million compared to the previous fiscal. Our focus on improving the product mix and launching new lines has helped Europe return to higher margins towards the end of the year. During the year we took strong pricing actions in Turkey, which have yielded positive results in a market where fresh macroeconomic initiatives are getting rolled out. Our strong market position in Turkey has helped us manage the inflationary

44.5%
Gross margin in FY24

environment, while continuing to invest for long-term growth. We received the renewal of our GMP certification at our plant in Turkey, preparing for new launches in key markets. We have expanded our field force in India to serve the fast-growing veterinary market, supported by the launch of new products from our global range.

In a subdued global market, our API revenues in FY24 stood at ₹3,260 million, compared to ₹3,807 million in FY23. Regulated markets and top customers in Europe and US contribute the bulk of our API revenues. Our focus on quality customers and businesses has helped the API business deliver enhanced margins. Our facility at Vishakapatnam successfully completed the USFDA audit further strengthening our attractiveness as a reliable partner for API supplies to demanding markets.

Our factory has also successfully cleared audits by the WHO, enabling us to be prequalified for supplies to crucial support programmes in various parts of the world.

"Our Mahad site has received the EcoVadis Sustainability Silver Medal for these efforts."

During the year we successfully rolled out Project Pragati, a comprehensive programme for enhancing efficiency, yields and operational performance of the business. The results of the programme have been realised in the second half of the year and will continue to support improvement in business performance.

While driving our ESG goals, we have prioritised water conservation and implementation of Zero Liquid Discharge (ZLD) technologies. This allows us to recycle 100% of our wastewater, eliminating liquid effluents and significantly reducing our water footprint. Our Mahad site has received the EcoVadis Sustainability Silver Medal for these efforts. Across all our facilities, we advocate the responsible use of natural resources and actively work to reduce solvent usage through process enhancements. All our facilities are focused on minimising raw material consumption, curbing effluent generation, and embracing renewable energy sources like solar power.

Our Company places the highest importance for developing its people and ensuring that they thrive in a vibrant working environment. Through ongoing investments in our human capital, we steadily cultivate a robust leadership pipeline that is future fit to meet our long-term objectives. By fostering a culture of continuous growth and development, we collectively work towards amplifying our workforce capabilities and enriching employee experiences. The health and safety of our

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workforce remains our top priority, and we spare no effort in creating a secure and positive work environment. Our Company Board is deeply committed to foster a nurturing and inclusive workplace environment across all operations.

As we conclude a crucial year in our Company's journey of reshaping for the future, I wish to thank all our employees for their resilience and commitment to serve our customers and win in the market, responsibly and sustainably.

I am grateful to the Board of Directors who have always supported and encouraged the teams. My sincere thanks to all our shareholders for entrusting their confidence in our Company.

Thank you for being a part of our journey.

Warm regards,

RAJARAM NARAYANAN
Managing Director

CHIEF FINANCIAL OFFICER'S MESSAGE

Creating a strong foundation and progressing ahead with confidence

> **“During FY24, we focused intensely on improving our sales mix, enhancing procurement efficiencies, and driving operational improvement and cost optimization projects. These initiatives have helped us improve our Gross profit and EBITDA margins, which are sustainable in nature.”**

Dear Shareholders,

It is my privilege to connect with you and share the progress of our Company. FY24 was a crucial year for us, in which, despite the various challenges faced during the year, including global geopolitical situations, I am happy to say that our Company's inherent strength and the focused strategic actions taken by the leadership team enabled us to navigate this period successfully. We indeed used it as an opportunity to strengthen our foundation for improved delivery going ahead.

Our EBITDA increased by 41% to ₹1,068 million in FY24, compared to ₹756 million in FY23, reflecting the success of our key initiatives undertaken.

Driving financial prudence

During the year under review, we achieved a total revenue of ₹13,697 million, a slight decrease from the previous year's ₹14,209 million. Our Formulation business achieved revenue of ₹9,997 million, European business experienced a commendable 17.1% year-on-year growth, even though growth in Emerging Markets was impacted by currency fluctuations in Turkey and USD availability issues in the MENA market. The API business concluded the fiscal with a revenue of ₹3,260 million.

Our gross margin improved by 320 basis points year-on-year to 44.5%, driven by various initiatives taken towards operational efficiency improvement and procurement cost optimisations. These began yielding benefits in H2 of FY24, with further improvements expected in FY25.

Enhancement in gross margins and effective control over operating expenses **improved our EBIDTA margin (Pre ESOP-Cost) by 250 basis points** year-on-year from 5.3% to 7.8%.

Finance costs for the year were ₹480.86 million, driven by increased debt to support business growth and surge in average borrowing cost as per global trends. Post year-end, we restructured our term loan facilities moving away from multi geography multi bank structure. This restructuring had resulted in simplifying our borrowing structure & covenants and helped us in creating additional lines available to support our future business growth needs across geographies.

Improved profitability and effective working capital management positively impacted cash flow, with working capital remaining stable at ₹4,201 million, comparable to the previous year's closing level.

Focusing on operational consolidation and cost optimisation

We have initiated operations optimisation across our global assets. In API business we discontinued our manufacturing operations in Tarapur plant, Maharashtra, and moved them to our existing manufacturing facilities in Mahad, Maharashtra, and Vizag, Telangana. In global formulation business, we shut our plant operations in Bremer, Germany and have shifted the production planned from Germany to our Turkey plant operations.

These restructuring measures have begun to show results, reducing our operating expense base from ₹5,116 million in the previous year to ₹5,031 million in the current financial year. Despite inflation remaining at higher levels in various regions, we have effectively managed our operating expenses. Moving forward, we will continue to have strong focus on the cost controls and driving operational efficiencies further.

During the year under review, we had some exceptional expenses in our profit and loss statement related to expert advisory fees paid to a global consultant who partnered us on the operational efficiency improvement and cost optimisations projects undertaken. You would be happy to note that the project has started delivering the anticipated benefits and which are sustainable in nature.

Hyperinflationary situation continues in Turkey and requires application of Ind AS 29 – Financial Reporting in Hyperinflationary Economies, leading to adjustments towards same in our financial statements. The production capacity expansion projects launched in the past two years have been completed during the current fiscal year, resulting in increased production capacities mainly for intermediates in API vertical. This will aid in enhancing our API capacities, ensuring improved OTIF delivery and providing better service to our customers. Our focus remains on tapping into new market segments and meeting varying consumer demands more effectively.

Journey ahead filled with optimism

As a team, we will continue to be focused on driving profitable growth with strong focus on cost controls, operational efficiencies improvements and sweating our assets hard. With our strong foundation and high governance standards we aim to reach newer heights in the coming years.

I extend my heartfelt thanks to all our stakeholders for the continued support and trust on us even in the toughest times of our journey over past few quarters. We look forward to your continued support and guidance in our amazing journey ahead focused towards profitable growth and expansion.

Wishing you all the very best.

Warm regards,

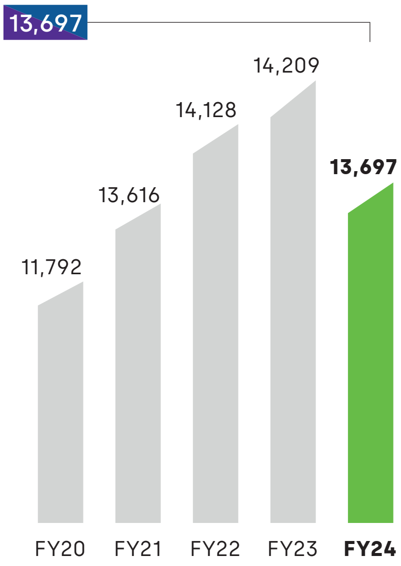
SAURAV BHALA
Chief Financial Officer

KEY PERFORMANCE INDICATORS

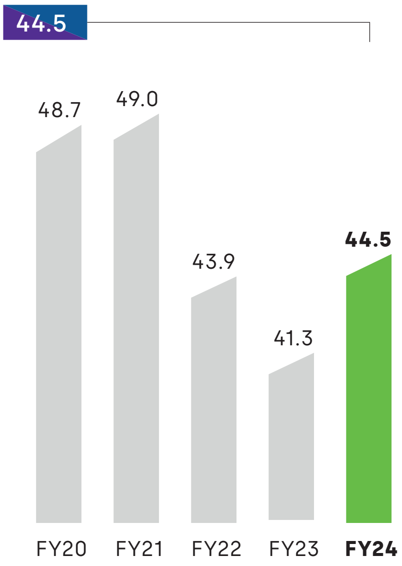
Five-year performance

REVENUE FROM OPERATIONS

(₹ in Mn)

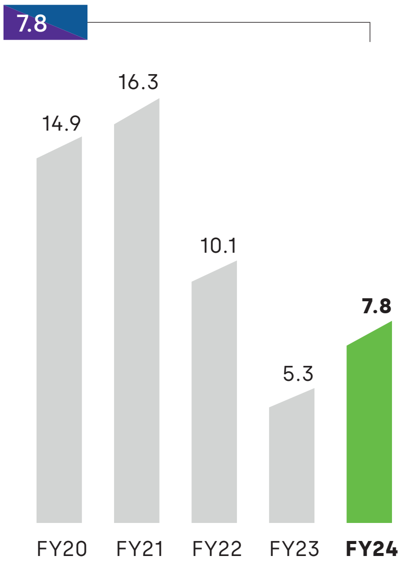


GROSS PROFIT MARGIN (%)



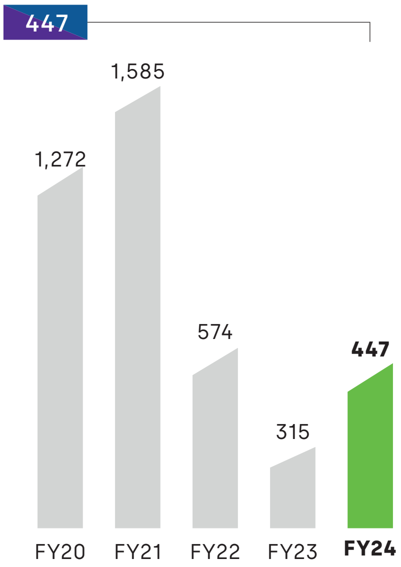
EBITDA MARGIN (PRE-ESOP)

(%)



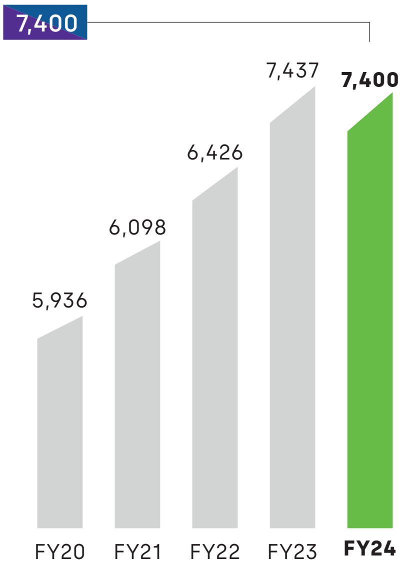
CASHFLOW FROM OPERATIONS

(₹ in Mn)



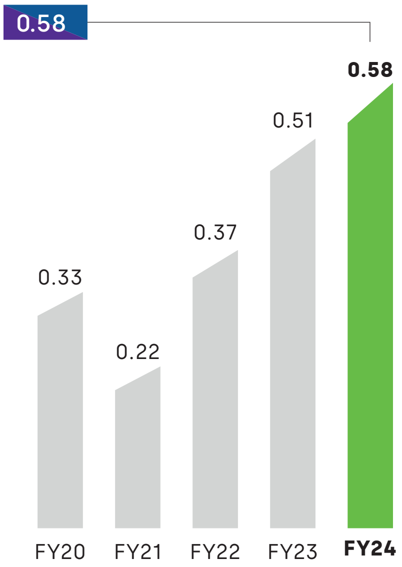
GROSS BLOCK + CWIP

(₹ in Mn)



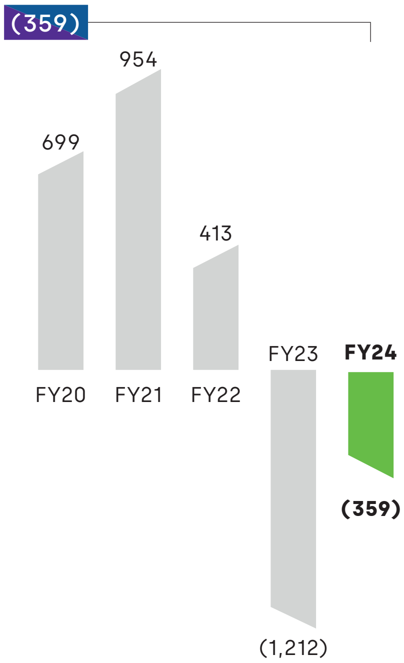
NET DEBT TO EQUITY

(%)



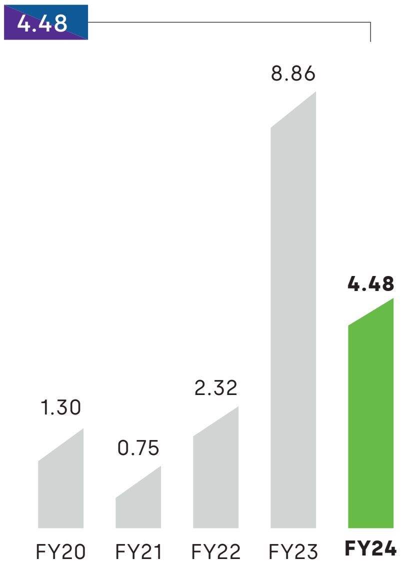
PROFIT/(LOSS) AFTER TAX

(₹ in Mn)



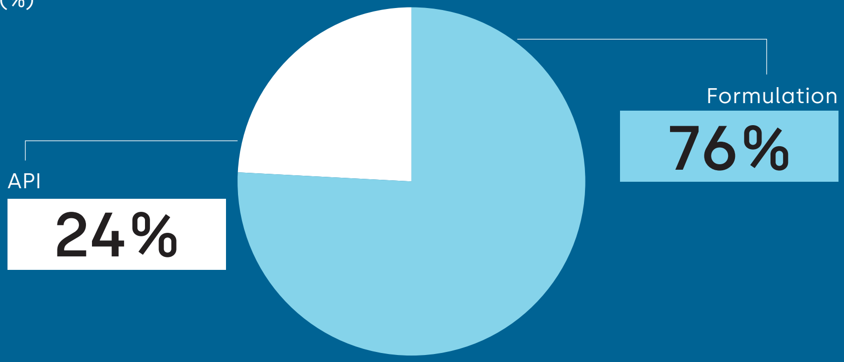
NET DEBT TO EBITDA

(%)



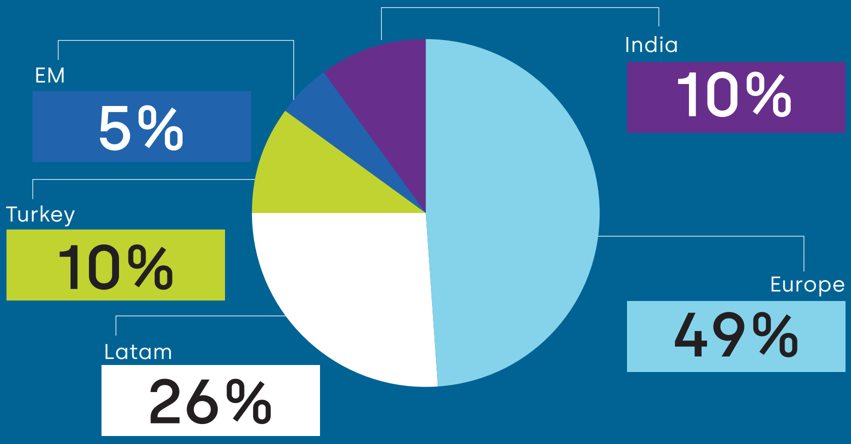
REVENUE BY BUSINESS SEGMENT

(%)



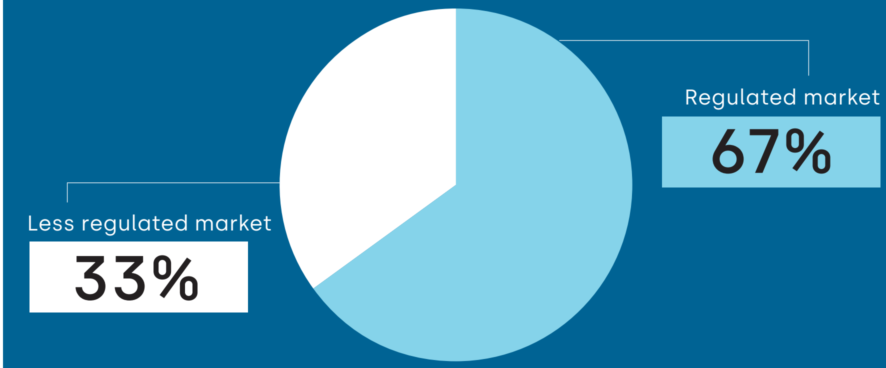
REVENUE BY MARKETS - FORMULATIONS

(%)



REVENUE BY MARKETS – APIS

(%)



BUSINESS SEGMENTS REVIEW (FORMULATIONS)

Boosting possibilities with our formulations portfolio

Our formulations business is leading the charge, contributing to over 70% of our global revenue and experiencing impressive growth, particularly in Europe and India. We leverage our deep industry understanding to develop powerful and diverse product lines that address the specific needs of the animals we serve. From nutrition and pain management to parasite control, antibiotics, and gut health, our comprehensive portfolio offers a variety of solutions.

5

Manufacturing sites

4

R&D centres

30+

Products under development

~2/3rd

Sales to regulated markets

HIGHLIGHTS OF FY24

- In Europe, we achieved a year-on-year growth of approximately 9.5% (cc), including our German operation of Bremer-Pharma and Covivet activity (wholesaler) in Spain. Without considering the effects of the Bremer-Pharma (Germany) and Covivet (Spain) shutdowns, the growth in Europe reached 28%, showing a clear inflection compared to the previous year.
- In Germany, the shutdown of our Bremer-Pharma manufacturing plant in Warburg, which took place progressively between July and December 2023, has significantly improved our cash flow situation since Q4 and greatly reduced complexity. The transfer of major brands from Bremer-Pharma to our plant in Turkey is now taking place, an expected return to commercial output at the beginning of FY26.
- In the emerging markets, our activities faced difficulties due to limited access to foreign currencies from the central banks. However, the situation showed strong recovery over the last two quarters of the year, ending with a growth of +3.4% (cc) in these geographies.
- In Turkey, regular efforts on price increases, price repositioning, and contingency planning on expenses have rebuilt our margins and EBITDA ratios in a hyperinflationary environment. The launch of our global brand Tulaject, an injectable tulathromycin for respiratory diseases in cattle. This strongly reinforced our market position. Our exports outside Turkey continued to grow steadily.
- In Latin America, we underwent a significant restructuring of our activities in Mexico, with the appointment of a new team and the implementation of a new outsourcing model. This led to a significant reduction in opex and a notable increase in profitability. In Brazil our pipeline is being enriched with new projects expected to reach the market by the end of this year.

GROWTH DRIVERS

1

STRENGTHENING OUR PRODUCT PIPELINE

We are committed to developing innovative new products. Our pipeline is becoming more diversified with new projects in Companion Animals being added to enrich our product portfolio. Additionally, our strong portfolio of Business Development projects maturing in 2024, combined with our in-house product development capabilities, fuels our optimism for growth across Europe and all our global formulation regions.

2

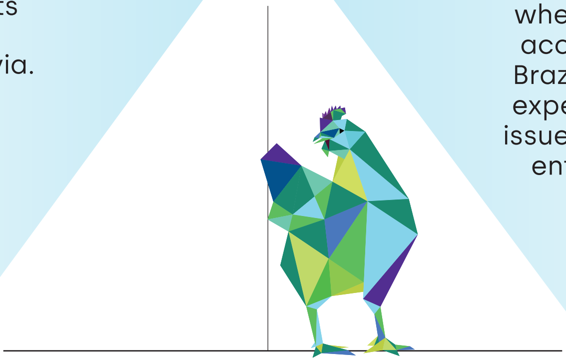
PHYTOSOLUTIONS LINE

Our Phytosolution range, nutritional bio-actives based on essential oils for industrial markets in swine and poultry, has maintained its growing trend especially in markets where ALIVIRA has direct market access (Italy, Spain, Mexico and Brazil), though slightly below our expectations due to geopolitical issues in Middle East. We are now entering FY25 with a reinforced team to better structure this activity providing technical support for our customers.

3

EXPANDING OUR GLOBAL FOOTPRINT

We have extended our reach in Latin America by initiating sales with a new distributor in Peru and continuing registration efforts in Colombia, Chile, Ecuador, Panama, Paraguay, and Bolivia. This expands our reach and positions us for future growth in the region.



BUSINESS SEGMENTS REVIEW (API)

Getting reshaped for stable progress

Our track record of providing high-quality products on time has made us a reliable and trusted global supplier of Active Pharmaceutical Ingredients (APIs) to leading animal health companies worldwide.

Recognising key macro trends in the global and Indian animal healthcare market, we strategically navigate these trends to chart a path towards continued expansion and success. Our focus on meeting the unmet needs in the animal health industry ensures our products address specific sectoral requirements.

2

Manufacturing sites

1

R&D centre

31

US VMF filings

16

CEP Filings

~2/3rd

Sales to regulated markets

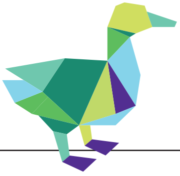
10+

Pipeline

Particulars	FY24 Updates/ Developments	Total Products
US VMF Filing	**2**	**31**
EU CEP Approvals	**1**	**16**

HIGHLIGHTS OF FY24

- Successfully completed the USFDA audit of the Vizag facility.
- Project Pragati implementation led to significant operational efficiency and cost savings.
- Restructured the manufacturing network for enhanced efficiency.
- Increased focus on quality and safety in operations resulted in improved performance.
- Sales from regulated markets account for around 67% of total sales.
- Our new product pipeline is gaining significant momentum with three recent filings—two in the US VMF market and one in the CEP market.
- The newly launched products in the companion animal segment have received a favourable response from customers worldwide, promising to contribute positively to the years ahead.
- Our efforts to broaden our presence in key markets, such as Japan, have proven successful.
- Our Mahad site received WHO approval, paving the way for new business opportunities.



GROWTH DRIVERS

1

INCREASED COST COMPETITIVENESS

We are enhancing our cost competitiveness in the price-sensitive emerging markets; to tackle the increasing cost competitiveness, we have implemented a systematic cost reduction programme for our top products. Our efforts have led to significant cost reductions in few of our overall products, along with a significant simplification of our supply chain.

2

EXPANDING PORTFOLIO WITH EXISTING PARTNERS/CUSTOMERS

We have signed master supply agreement (MSA) with key global Animal Health players and commercialisation has started. The revenues are expected to grow on account of volume scale up and continued business development efforts to expand portfolio with existing players and commercialisation with new products.

3

WHO APPROVAL

Our Mahad site received WHO approval, paving the way for new business opportunities.

4

MARKET EXPANSION

Strategic efforts to broaden our presence in key markets, such as Japan, have yielded successful outcomes, strengthening our global footprint.

5

BUSINESS WITH TOP GLOBAL ANIMAL HEALTH COMPANIES

Our customers are among the Top Animal Health companies globally – we are leveraging this network to expand our offering to leading Animal health companies enhancing both productivity and operational efficiency.

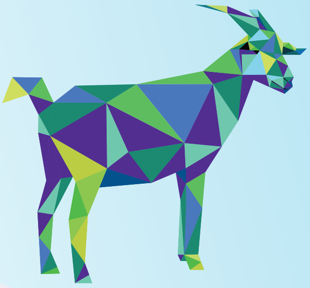
6

NEW PRODUCT DEVELOPMENT

Our newly launched products in the companion animal segment have garnered a favourable response from customers worldwide, indicating strong potential for future growth.

Supporting community aspirations

We believe in fostering inclusive growth and sustainable development. By identifying key areas for focused intervention, we undertake initiatives that drive meaningful and lasting transformation. Our social programmes are designed to support the holistic development of the communities in which we operate.



PROMOTING HEALTH AND HYGIENE

We extended infrastructural support and development initiatives to the Zilla Parishad Primary School in Parawada, Vizag, with a focus on enhancing healthcare facilities, particularly in the realm of sanitation.

We built new washrooms and installed a state-of-the-art RO water filter at YSR Layout, Tikkavanipalem, Andhra Pradesh, ensuring access to safe drinking water.

We organised a successful blood donation camp in collaboration with the Kai Wamanrao Oka Blood Centre, Thane. The event saw enthusiastic participation from community members and volunteers, all coming together to contribute towards this noble cause.

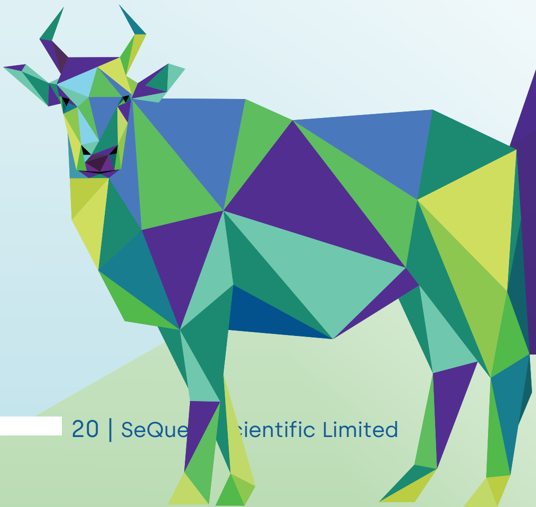
We provided comprehensive awareness support to the Shery Cancer Foundation in Vizag by offering essential camps and various forms of assistance. This partnership exemplifies our commitment to promoting community health and well-being while addressing the challenges posed by cancer.

We provided essential safety equipment to the Parawada Police Station in Vizag. This initiative aimed to enhance the capabilities of our local police force and ensure their safety while carrying out their duties.

We actively participated in the Pradhan Mantri TB Mukt Bharat Abhiyan by providing vital support to the community in Vizag. Through our initiative, we supply essential food items and necessities to individuals affected by tuberculosis, ensuring they have access to proper nutrition and basic amenities during their treatment journey.

SUPPORTING INFRASTRUCTURE DEVELOPMENT

We contributed to the infrastructural development of the MPPS School in Tikkavanipalem, Andhra Pradesh, with a primary focus on ensuring the availability of sound infrastructure conducive to quality education. Additionally, we facilitated the creation of a fully equipped kitchen to provide nutritious meals for students, recognising the vital role of proper nutrition in their overall well-being.




ALIVIRA ANIMAL HEALTH LIMITED
UNDER CORPORATION SOCIAL RESPONSIBILITY
BY 2023 - 2024


POLICE
Galaxy F14 5G


ALIVIRA ANIMAL HEALTH LIMITED,
UNDER CORPORATE SOCIAL RESPONSIBILITY
FY-2023-2024

Board of Directors

Dr. Kamal K. Sharma
Chairman and
Independent Director

Mr. Milind Sarwate
Independent Director

Dr. Kausalya Santhanam
Independent Director

Mr. Neeraj Bharadwaj
Non-Executive Director

Dr. Hari Babu Bodepudi
Non-Executive Director

Dr. Fabian Kausche
Non-Executive Director

Mr. Gregory Andrews
Non-Executive Director

Mr. Rajaram Narayanan
Managing Director and
Chief Executive Officer

Mr. Sharat Narasapur
Joint Managing Director

Leadership Team

Mr. Rajaram Narayanan
Managing Director and Chief Executive Officer

Mr. Sharat Narasapur*
Joint Managing Director

Mr. Vedprakash Ragate*
Executive Director

Mr. Saurav Bhala
Chief Financial Officer

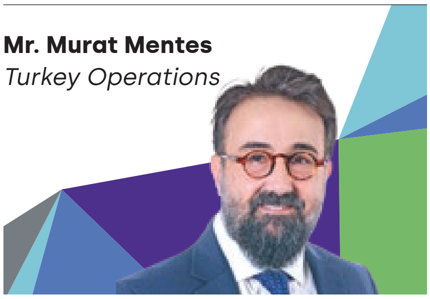
Mr. Prasad Lad
Human Resources

Mr. Ashish Kakabalia
Business Development and R&D

Mr. Alexis Goux
Global Formulations

Mr. Ramon Vila
Europe Operations

Mr. Murat Mentes
Turkey Operations



Mr. Jose Nunes Filho
Latin America Operations

Mr. Yawar Abbas
Emerging markets

Mr. Alan Kelly
United States Operations

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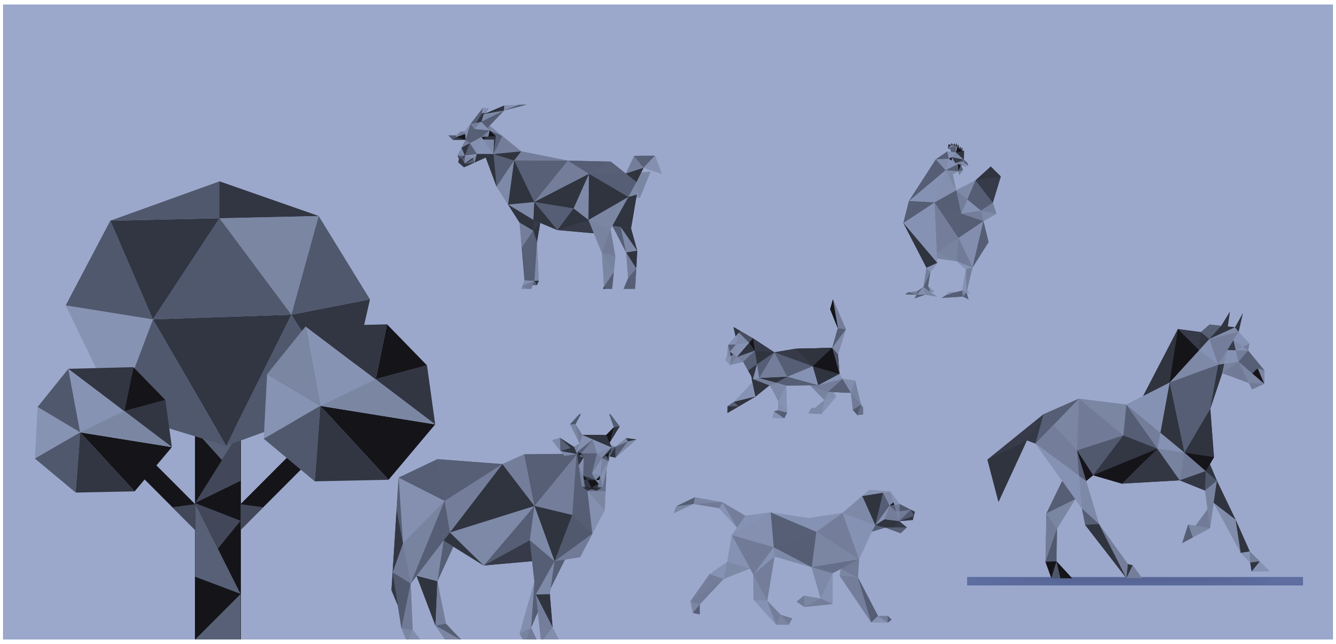
*Mr. Sharat Narasapur has resigned as a Jt. Managing Director from the Board of Directors of our Company, w.e.f. April 30, 2024

*Mr. Vedprakash Ragate is appointed as Additional Director (Executive and Non-Independent) w.e.f. April 17, 2024

Management Discussion & Analysis



Macro-Economic Overview

The global economy showcased remarkable resilience in 2023, navigating through the aftermath of geopolitical tensions and persistent cost-of-living challenges.

According to the International Monetary Fund (IMF), global growth is projected to remain stable at 3.2% in 2024 and 2025. This resilience is supported by stronger-than-expected performances in the United States and several major emerging market economies, alongside ongoing fiscal stimulus in China. Nonetheless, these projections fall short of the historical average of 3.8% (2000-19), mainly due to elevated central bank rates, reduced fiscal support amid high debt burdens, and sluggish underlying productivity growth. Inflationary pressures are easing across regions, driven by the resolution of supply-side constraints and tighter monetary policies, with global headline inflation projected to decrease from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025.

The latter part of 2023 saw economic growth surpass expectations in the United States and several significant emerging markets and developing economies. This upturn was fuelled by both government and private expenditures, bolstered by real disposable income gains, despite gradually easing tight labour markets. Moreover, households tapping into their pandemic-era savings further buoyed economic activity. Additionally, there was a notable expansion on the supply side, characterised by increased labour force participation, resolution of pandemic-related supply chain disruptions, and reduced delivery times.

The trajectory of the economic rebound in 2025 largely depends on central banks alleviating economic constraints as inflation indicators approach their respective targets. Particularly vulnerable are the US and the Euro Area, where real policy rates are currently at their highest levels since January 2008. Prolonged high rates could significantly dampen economic activity, potentially worsening mild recessions into more severe downturns.

Animal Healthcare

The animal healthcare sector is a broad and dynamic industry that encompasses various aspects related to the health and well-being of animals. This sector includes products, services and research aimed at maintaining, improving, and treating the health of companion and production animals. The broad classification of the sector can be done into three categories namely pharmaceuticals, veterinary services and medical devices.

The global animal pharmaceutical market, valued at ~USD 38 billion in 2023, is projected to grow at a robust CAGR of around 8%, reaching ~USD 51 billion by 2027. Key factors driving this growth include the critical role of animal health monitoring in maintaining a secure food supply, preventing disease outbreaks, and ensuring stable consumer prices. The emphasis on animal health has led to successful management of diseases like avian flu, with ongoing efforts to eradicate others.

The market has witnessed significant mergers and acquisitions, especially in veterinary-related divisions, driven by increasing demands for food production and the breeding of animals for meat and dairy products. The investment in pet insurance in developed markets is contributing to the growth of the market, with funds being utilised for animal health innovations across various species.

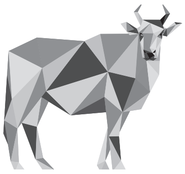
Government initiatives and collaborations with animal welfare organisations worldwide are playing a crucial role in the current market scenario. Additionally, technological advancements, such as efficient information management systems, mobile technologies for animal owners, and vaccine banks, are propelling market growth.

The Indian market is expanding, driven by the growth of polyclinics, veterinary hospitals, and institutions, along with the adoption of innovative technologies. The market is expected to advance further due to increased partnerships with animal healthcare funding trusts and organisations and the positive influence of state government regulations, according to Future Market Insights.

The European Union has implemented strategic initiatives to address animal health concerns, emphasising the significance of animal healthcare. The region is set to benefit from increased investments in animal healthcare and the presence of major companies in the sector.

Outlook

Factors driving the market growth include rising animal health expenditure, the prevalence of diseases in animals, concerns over zoonoses, initiatives by key companies, and pet humanisation. The rapid increase in sales of animal healthcare products such as pharmaceuticals is acting as a catalyst for the growth of the animal healthcare market, and this trend is expected to continue in the future.



Production Animal

Proactively addressing disease prevention, identification, and management, production animal healthcare is a service designed to enhance the health and wellbeing of farm animals, minimising the occurrences of disease, injury, and mortality among them.

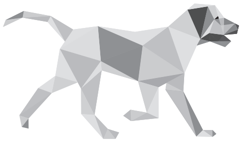
The expansion of the production animal healthcare market is anticipated to be fuelled by the increasing number of livestock. In 2023, North America dominated the market, and Asia-Pacific is poised to be the fastest-growing region during the forecast period. The anticipated rise in zoonotic diseases is expected to play a significant role in propelling the future growth of the production animal healthcare market.

India has a vast resource of livestock and poultry, which plays a vital role in improving the socio-economic conditions of rural masses.

In the current scenario, India is the largest producer of Milk and Buffalo Meat, the 2nd largest producer of Goat meat, 3rd in Egg production and the 8th largest in overall Meat Production in the world as per 20th Livestock Census in the country. The India animal healthcare market size is estimated at USD 1.25 billion in 2024 and is expected to reach USD 1.89 billion by 2029, growing at a CAGR of 8.63% during the forecast period (2024-2029). (Source: Mordor Intelligence)

(Source: Mordor Intelligence)

Companion Animal



The estimated size of the Companion Animal Healthcare Market in 2024 is USD 17.90 billion, projected to reach USD 27.57 billion by 2029, with a CAGR of 9.03% during the forecast period (2024-2029).

The outbreak of the COVID-19 pandemic had a significant impact on the animal healthcare market, leading to increased costs in animal testing and veterinary care. Supply chain disruptions and shortages of veterinary medicines were observed globally, attributed to temporary manufacturing site lockdowns, export restrictions, and heightened demand for COVID-19 treatment medicines.

Additionally, the surge in pet ownership has spurred the development of pet monitoring and tracking products. These innovations, designed to monitor pet activities and ensure animal health, contribute to the growth of the companion animal healthcare market.

North America is anticipated to lead the companion animal healthcare market during the forecast period, attributed to factors like increased adoption of companion animals, growing awareness among pet owners regarding pet healthcare services, and the presence of key market players in the region.

About SeQuent Scientific Limited

SeQuent Scientific Limited (referred to as "SeQuent" or "we" or “the Company” or our Company) is India's largest animal health company, with a presence in over 5 continents across 100 countries. The Company's seven manufacturing facilities, located in India, Spain, Brazil and Turkey, have obtained approvals from leading global regulatory bodies such as USFDA, EUGMP, WHO, and TGA, among others. Sequent Scientific Limited provides a wide-ranging portfolio of animal health products, including Finished Dose Formulations, Active Pharmaceutical Ingredients (APIs), as well as analytical services to the pharmaceutical and life sciences industries.

Business Performance Review

Active Pharmaceutical Ingredients (APIs)

Key Highlights, FY24

	FY24 Updates/ Developments	Total Products
US VMF Filing	2	31
EU CEP Approvals	1	16

*We have filed one CEP this year and it is under review.

USFDA Audit: Successfully completed the USFDA audit of the Vizag facility.

Project Pragati: Implementation led to significant operational efficiency and cost savings.

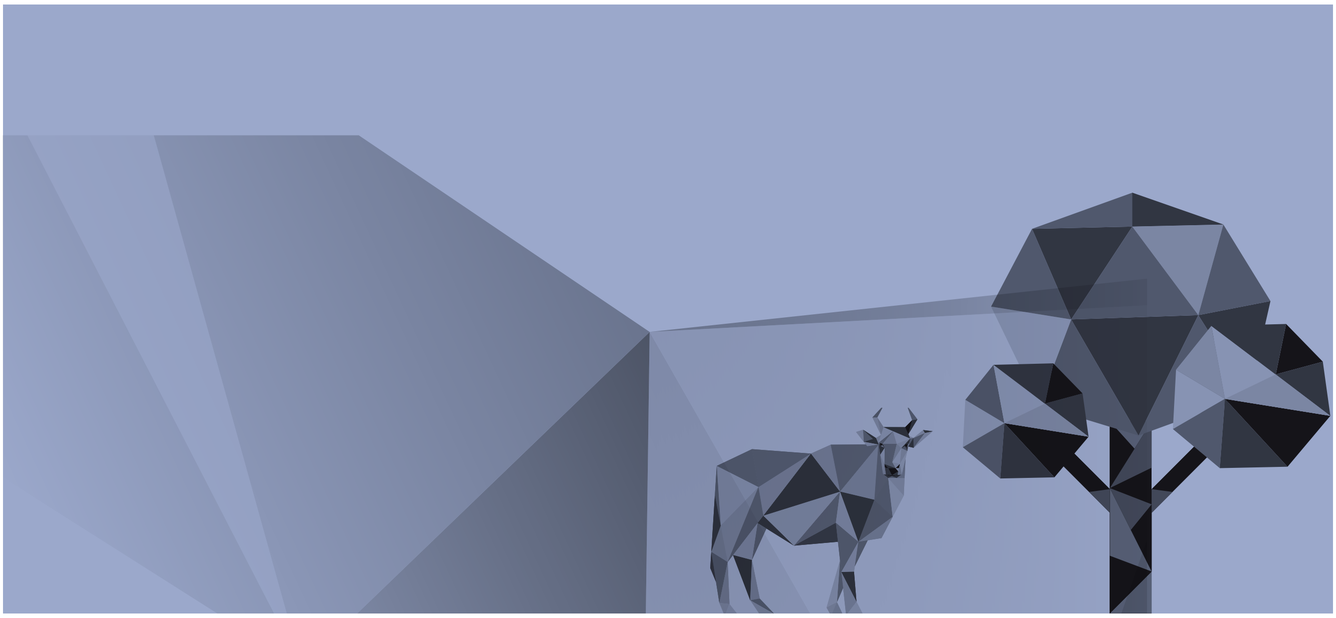
Operational Optimisation: Restructured the manufacturing network for enhanced efficiency.

Quality and Safety: Increased focus on quality and safety in operations resulted in improved performance.

Sales Distribution: Sales from regulated markets account for around 67% of total sales.

Growth Drivers

- The recently launched products in the companion animal segment have garnered positive feedback from customers worldwide, showing promise for contributing positively to the coming years.
- Our initiatives to expand our presence in key markets, including Japan, have had an encouraging start.
- Our Mahad site has received WHO approval, paving the way for new business opportunities.



Formulations
KEY HIGHLIGHTS, FY24

- In Europe, we experienced a 9.5% year-on-year growth in constant currency, which includes contributions from our German operation, Bremer-Pharma, and Covivet's wholesale activities in Spain. Excluding the effects of the shutdowns at Bremer-Pharma in Germany and Covivet in Spain, our growth in Europe surged to 28%, representing a notable turning point compared to the previous year
- In Germany, the phased shutdown of our Bremer-Pharma manufacturing facility in Warburg between July and December 2023 has notably enhanced our cash flow and streamlined our operations. We are currently in the process of relocating major brands from Bremer-Pharma to our facility in Turkey, with commercial operations anticipated to recommence at the beginning of FY26.
- In emerging markets, we encountered specific challenges, stemming from restricted access to foreign currencies from central banks. Nevertheless, we observed a robust recovery in the last two quarters of the year.
- In Turkey, our strategic initiatives—centered on price adjustments, repositioning, and expense management—have successfully restored our margins and EBITDA ratios despite the hyper-inflationary environment. The launch of our global brand Tulaject, an injectable tulathromycin for respiratory diseases in cattle, has significantly strengthened our market presence. Additionally, our exports beyond Turkey have consistently achieved double-digit growth.
- In Latin America, we initiated a major overhaul of our operations in Mexico, adopting a new model that outsources non-core functions such as logistics and accounting. This transformation has significantly lowered operating expenses and increased profitability. We remain optimistic about our sales potential in Mexico. In Brazil, amidst challenging market conditions, our pipeline is steadily being enriched with new projects slated for market release by year-end.

Growth drivers

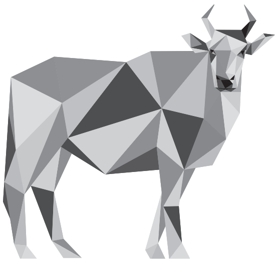
Expanding our global footprint: We have extended our reach in Latin America by initiating sales with a new distributor in Peru and continuing registration efforts in Colombia, Chile, Ecuador, Panama, Paraguay, and Bolivia. This expansion positions us for future growth in the region.

Strengthening our product pipeline: We are dedicated to creating innovative new products. Our pipeline is getting diversified with the inclusion of a new project focused on companion animals, in addition to the existing portfolio of business development projects set to mature in 2024-25.. These would boost our growth across Europe and other markets.

Phytosolutions line: Our Phytosolution range, which includes nutritional bio-actives based on essential oils for industrial markets in swine and poultry, has maintained its growth trend, especially in markets where Alivira has direct access (Italy, Spain, Mexico, and Brazil). However, growth has slightly lagged expectations due to geopolitical challenges in the Middle East. As we enter FY25, we are building technical support capabilities which are crucial for supporting our customers.

Analytical Services

SeQuent Research Limited (SRL), the Company's wholly owned subsidiary, is a Contract Research Organisation (CRO) focusing on analytical services. The USFDA-approved analytical division is located in Mangaluru. With approximately 39 scientists, 16,600 Sq.ft facility SRL has robust capabilities in instrument, wet, trace elements, genotoxic, nitrosamine, and stability analysis. The division is using a Laboratory Information Management System (LIMS). The Analytical division is engaged with numerous global clients.



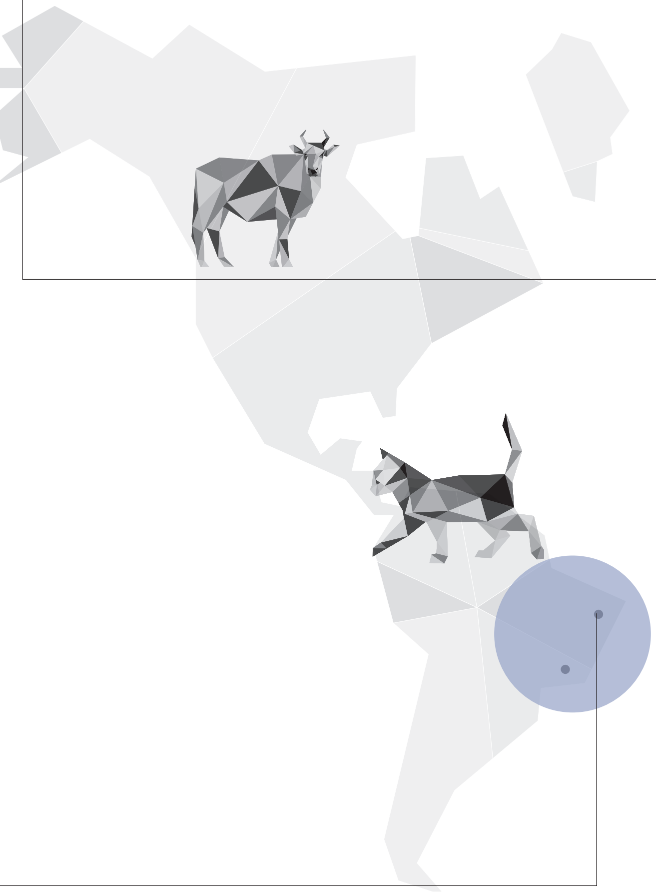
Focus Markets

The Company is committed to safeguarding global food security in light of the ever-expanding world population, particularly by aiming to become a leading provider of value in the animal healthcare sector. With a significant presence in nations boasting large animal populations, it acknowledges the immense potential these markets hold.

Turkey

Provet Veteriner Urunleri San. Ve Tic. A.S. holds the distinction of possessing the largest production capability for ruminant products in domestic manufacturing within Turkey. As a top 3 player in the ruminant segment in the country, we offer a diverse array of products tailored to meet the demands of veterinarians. Our operations encompass a cutting-edge manufacturing facility equipped with eight production lines dedicated to various pharmaceutical dosage forms. These lines manufacture injectables, intra-mammary products, oral solutions, aerosols, tablets, and more, all designed to cater specifically to the needs of the ruminant segment.

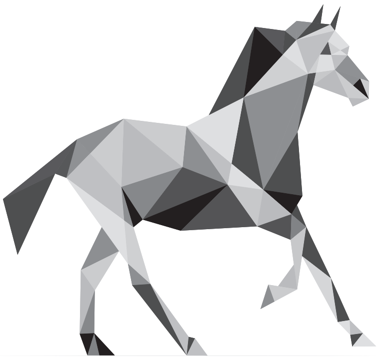
Despite facing macroeconomic challenges, including hyperinflation and associated pressures on the Turkish Lira in FY24, we successfully consolidated our product portfolios under the unified Alivira brand. This consolidation allows us to streamline our operations and enhance our market presence, ensuring we continue to meet the needs of our customers effectively.

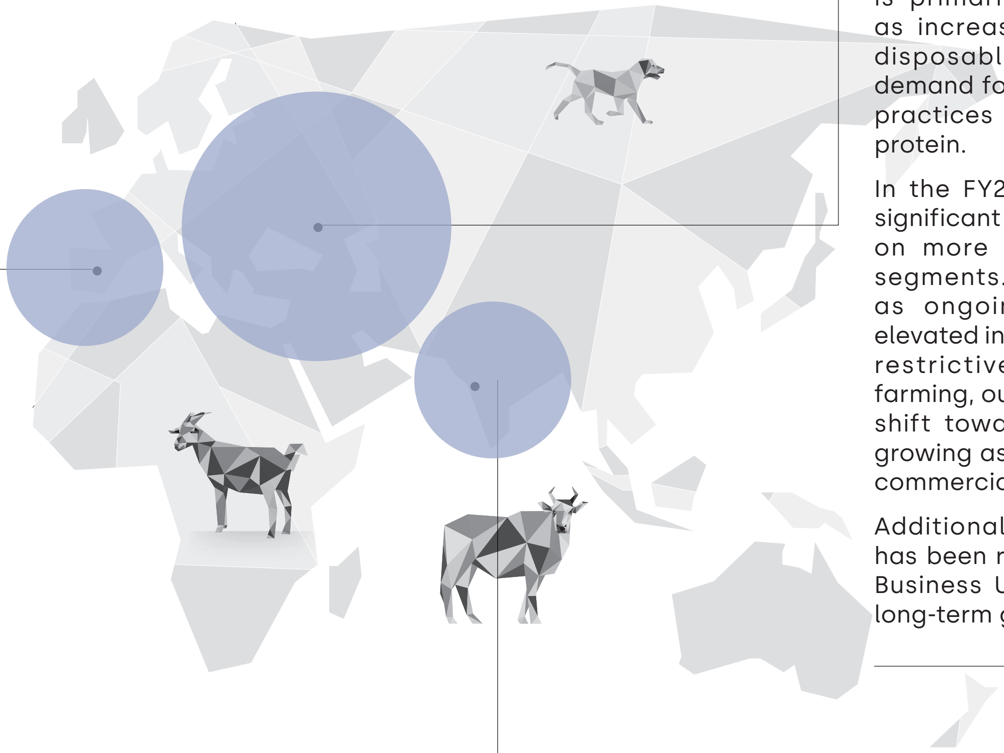


LATAM

In FY24, our Brazilian subsidiary, Alivira Saude Animal Brasil Participacoes Ltda, maintained its position among the top five players in Brazil's poultry and swine sectors. Despite facing challenges from high grain costs and low profitability for meat producers, which put significant pressure on our sales and pricing, the Brazilian subsidiary is focused on expediting the development of its new product pipeline. Our commercial strategy emphasises specialised product lines and strict cost-control measures.

Additionally, we have extended our reach in Latin America by initiating sales with a new distributor in Peru and continuing registration efforts in Colombia, Chile, Ecuador, Panama, Paraguay, and Bolivia.





Europe

Europe maintains its position as the second-largest animal health market globally, with anticipated growth of approximately 4%. This growth is primarily fueled by factors such as increasing pet ownership, higher disposable income, and the rising demand for efficient animal husbandry practices to meet the need for meat protein.

In the FY24, our business underwent significant restructuring to concentrate on more profitable and distinctive segments. Despite challenges such as ongoing geopolitical tensions, elevated interest rates, and increasingly restrictive regulations on animal farming, our confidence in our strategic shift towards Companion Animals is growing as we expand our portfolio for commercialisation.

Additionally, the Phytosolutions line has been reorganised into a dedicated Business Unit, poised to drive robust long-term growth.

India

The Indian animal healthcare market has been expanding at an annual rate of 6-7%. This growth is driven by the increasing demand for animal protein and supported by government initiatives such as the National Livestock Mission and Animal Husbandry Infrastructure Fund.

FY24 has been an outstanding year for us, marked by steady progress in commercialising products across various categories including nutrients, therapeutics, and supportive care to cater to our customers' diverse needs. Our focused strategy on the cattle and poultry sectors led to the successful launch of three strong brands, resulting in substantial growth in these newly introduced products.

Our growth strategy is driven by two key factors: expanding our market presence and enriching our product portfolio. To leverage business potential in key dairy markets, we have increased our field team by over 50 members. By reaching more than 5,000 new customers and forming over 100 new channel partnerships, we aim to exceed the market growth rate and achieve significant progress in FY25.

We boast a robust product pipeline with around 10 distinctive products sourced from our own manufacturing plants abroad or our R&D projects. These innovative products are expected to further enhance our corporate reputation in the coming years.

Emerging Markets

In emerging markets, we sell our products in various regions, including the Middle East, Africa, the Indian subcontinent, and Southeast Asia, through distributors. These markets are supplied from our facilities in Spain, Turkey, and India, where we continue to streamline and expedite our product registration processes. For FY25, we adopted a cautious approach due to stagnant collections in certain Middle East markets.

Global presence and marketing

In our core markets, we deploy local sales teams consisting of technical veterinary specialists and sales professionals. These teams receive guidance from a central marketing division that harnesses global knowledge to drive effective local strategies. By leveraging our direct sales teams and distributor partnerships we have broadened our product offerings to reach over 100 countries.

Global manufacturing footprint

Globally, the Company operates world-class manufacturing facilities as mentioned below:

Business vertical	Location	Highlights
Animal Health API's	Vizag, India	**Approvals:** USFDA, WHO-Geneva and EU GMP **Capabilities:** API facility with reactor capacity of 305.9 KL with ten clean rooms
	Mahad, India	**Approvals:** EU GMP, COFEPRIS Mexico and WHO **Capabilities:** 23 reactors having a cumulative capacity of 80 KL
Formulations	Spain	**Approvals:** EU GMP **Capabilities:** Dedicated beta-lactam powder block and nutritional
	Turkey	**Approvals:** EU GMP and Turkish GMP **Capabilities:** Beta-lactam, Non Beta-lactam, hormones
	Brazil	**Approvals:** MAPA (Ministry of Agriculture, Livestock and Supply) **Capabilities:** Powders and premixes
		Approvals: MAPA (Ministry of Agriculture, Livestock and Supply) **Capabilities:** Premixes, tablets, pastes, suspensions and solutions
	Ambernath, India	**Approvals:** India, Uganda, Ethiopia, and Kenya **Capabilities:** Oral solutions/suspensions, powders, and premixes

Employees

Our company's workforce of over 1500 employees forms the core of our operations, and we are committed to offering them equal opportunities and support to pursue their career aspirations. Nurturing and sustaining our employees are paramount, and we prioritise their well-being. Given the critical and intricate nature of our manufacturing processes, we place utmost importance on the health and safety of our workforce.

Employee Stock Option Plan (ESOP)

Your Company currently has 2 (Two) ESOP Schemes as under:

1) SeQuent Scientific Employee Stock Option Plan 2010 and
2) Sequent Scientific Limited Employees Stock Option Plan 2020

The accounting for the said scheme is to be done as per the fair value method determined by the Black Scholes model for option valuation. During the year, the accounting impact of the said ESOP issuance was ₹ 222.28 Mn.

Governance

Ethics & Governance Committee

The Company has put in place an Ethics & Governance Committee tasked with overseeing policies related to Anti-Money Laundering, Anti-Bribery and Corruption (ABAC), Counter-Terrorist Financing, Whistleblower Policy, Prevention of Sexual Harassment (POSH), and Insider Trading. To ensure compliance, regular awareness programs are conducted to familiarise employees with these policies. Throughout the year, the Company conducted the following trainings:

1. SeQuent Values & Whistle Blower Policy for employees
2. Prevention of Sexual Harassment at the Workplace
3. Awareness session on Unpublished Price Sensitive Information and Structured Digital Database
4. Anti-Corruption Compliance Policy
5. Economic Sanctions Compliance Policy
6. Anti-Money Laundering & Counter-Terrorist Financing Compliance Policy

Prevention of Harassment and Discrimination Policy

The Company is dedicated to fostering a work environment free from discrimination, harassment, or intimidation. To uphold this commitment, the Company has established a Prevention of Sexual Harassment (POSH) Committee at each location. The Committee responds confidentially within seven days of receiving any complaint, with an inquiry completed within 90 days. Additionally, the Company conducts training sessions on the Prevention of Sexual Harassment throughout the year at various locations.

There was 1 case reported to the Sexual Harassment Prevention Committee during the review year.

Whistleblower Policy

The Company has established a Whistleblower Policy to encourage reporting of any improper or unethical behaviour, alleged wrongful conduct, violations of the Company's Code of Conduct or applicable laws, fraud, bribery, corruption, employee misconduct, illegality, health, safety & environmental issues, or misappropriation of Company funds or assets. The Company protects whistleblowers from wrongful termination or discriminatory employment practices. The Whistleblower Policy ensures prompt and effective resolution of concerns or complaints.

Anti-Corruption Compliance Policy

The Company implemented an Anti-Corruption Compliance Policy applicable in its operating jurisdiction, covering all directors, officers, and employees. The policy prevents bribery and unethical practices, with internal controls designed to prevent and detect corrupt activities.

Anti-Money Laundering & Counter-Terrorist Financing Compliance Policy

The Company implemented this policy to prevent money laundering and terrorist financing activities in its operating jurisdiction. It complies with all relevant laws and regulations concerning the prevention of money laundering and terrorist financing.

Economic Sanctions Compliance Policy

The Company adheres to economic sanctions regulations in its operating jurisdictions. It has established an Economic Sanctions Compliance Policy to ensure compliance, communicating its culture of compliance to all associated persons, including third parties. Third parties include entities or persons who interact with others on behalf of the Company.

Environment, Health and Safety (EHS)

We are committed to maintaining a secure working environment and continuously enhancing our infrastructure, work practices, and behaviour. Here are the measures we have implemented:

ESG Focus: We adhere to ESG principles, including waste minimisation, emissions reduction, and renewable power usage.

Environment

Caring for the environment At Sequent, environmental sustainability is at the core of everything we do. Through research, innovation, and responsible manufacturing practices, we strive to reduce greenhouse gas emissions, conserve water resources, protect biodiversity, and promote soil health. By integrating sustainable practices into our operations.

Environment achievements

- 3.0% Reduction water consumption
- 26% Reduction in waste generation
- Solar plant installed at Mahad site (Cap:- 73KW). Project commissioned on July 2023. Total Energy generated through Solar from July 2023 to March 2024:- 45040 KWH.:- Mahad Plant
- Trees planted outside MIDC area (plot size-7400 sq.m) :- Yr.2022-23:- 1000 nos & 2023-24:- 400 Nos tree planted.:- Mahad
- Zero liquid discharge facility available at Mahad

Water Management

Successfully reduced freshwater consumption by 3.0% to reach 4734 KL in FY 2023-24. This was a result of rainwater collection, improved water recycling, additional recovery of steam condensate and recycled water from effluent treatment plants. In FY 2023-23, Sequent group percentage of water recycled during the year was 35% compared to previous year 28%. Notably, Mahad site more than 95.0% of treated water was recycled.

Waste Management

Reduced hazardous waste by 26.0% compared with previous year (2023-24:- 877.09 Tons & 2022-23:- 1113.59 Tons) by optimising the process. During FY 2023-24, we sent 217 tons of incinerable Hazardous waste for utilisation by cement industries, which helped reduce GHG footprint.

Certifications: Our Mahad unit has obtained ISO14001 and ISO45001 certifications, demonstrating our commitment to environmental, health, and safety standards. Additionally, our Ambernath unit has obtained WHO-GMP certification valid until May 2026.

EcoVadis Rating: In FY22, our Mahad unit achieved a silver medal with a score of 63 in the EcoVadis sustainable rating, reflecting our strong sustainability performance.

Risk Reduction: We have developed and implemented new standards and guidelines across our manufacturing sites to mitigate risks. A risk management committee has been established to monitor progress in risk reduction regularly.

People Safety: We prioritise competency development through training and assessments. To foster a safety culture and prevent workplace incidents resulting from human errors and behavior, we have engaged

Dupont Sustainable Solutions to work on culture transformation and risk reduction.

- Lost Time Injury Frequency Rate (LTIFR): 0
- 100% EHS training provided to all plant employees
- Higher people productivity
- Better talent management and retention Social

Vendor Management: We have a sustainability procurement policy to encourage our suppliers/ vendors to consider social and environmental factors. We conduct CSR audits to assess vendors on environmental, health, and safety practices, as well as training and competency development.

Threats, Risks and Concerns

The Company encounters various risks in its business operations, which are detailed below along with the measures taken to mitigate them.

Key risks	Mitigation measures
Regulatory risks An adverse facility inspection by any regulatory body may cause restriction in sales to certain customers or associated geographies.	We have established robust systems for continuous compliance monitoring. Our employees undergo regular training to stay updated with the latest compliance updates and regulations, enabling them to maintain compliance at all times.
Environment, Health and Safety (EHS) Risks associated with operational safety and environmental compliance arise due to the Company's manufacturing activities involving sophisticated chemical reactions.	The Company places great importance on maintaining policies and practices that adhere to all relevant environmental, health, and safety standards. To ensure this, we conduct regular reviews of our policies and practices to identify any areas that require improvement or revision. We strive to optimise the use of our resources and continually update our processes to minimise the environmental impact of our operations, products, and services.
Currency volatility risks Foreign currency risk refers to the potential for fluctuations in foreign exchange rates to impact the fair value or future cash flows of an exposure.	The Company mitigates its foreign currency risk by employing hedging strategies for transactions conducted in currencies other than the local currency in regions where it operates. This approach helps minimise the adverse effects of fluctuations in foreign exchange rates on our financial performance.
Interest rate risk The Company's borrowings are subject to floating interest rates, meaning that changes in interest rates can impact the company's performance.	All local entities of the Company borrow in their respective local currencies, which are tied to the corresponding base rates in alignment with their domestic business operations.
Credit Risk The Company's financial assets are exposed to credit risk, as customers' credit terms fluctuate based on market factors across different regions. Additionally, financial assets face counterparty credit risk.	We regularly analyze receivables aging in each geographic area. To manage credit risk, we have implemented credit restrictions based on a standard model. Additionally, we have established a suitable Delegation of Authority (DOA) matrix for releasing credit blocks.
Liquidity risks The company may encounter challenges in fulfilling its obligations related to financial liabilities, which are usually settled in cash or other financial assets	The Company aims for low leverage ratios to minimise liquidity risk.
Information Technology and Cyber Security Risks The Company's global operations are heavily dependent on IT systems, posing a significant risk in case of system failures or cybersecurity breaches.	Localising IT infrastructure monitoring, database management, IT policy enforcement, cybersecurity measures, and compliance procedures provides an effective approach to address potential threats to infrastructure or data at a local level.
Market risks Market risks encompass the potential for losses stemming from fluctuations in prices. Various factors such as geopolitical events, foreign exchange rate changes, global pandemics, and other significant occurrences can influence market movements.	The Board assesses the Company's investments with a focus on long-term strategic considerations, while ongoing monitoring of geopolitical risks is conducted by the Company.

Risk Management Committee

In accordance with the SEBI LODR requirements, the Company has established a Risk Management Committee comprised of the following: Mr. Neeraj Bharadwaj (Chairman), Mr. Milind Sarwate (Member), Mr. Rajaram Narayanan (Member), and Mr P V Raghavendra Rao until 25th October 2023, Mr. Saurav Bhala (Member) effective 06th November 2023. The Risk Management Committee convened meetings on September 05, 2023, and February 29, 2024, to assess the existing risk management procedures and explore opportunities to enhance them.

Financial Review

Consolidated financial performance

(₹ in million)

Ratios	FY24	FY23
Revenue from Operations	13,697	14,209
EBITDA (pre-ESOP)	1,068	756
EBITDA margin (pre-ESOP)	7.8%	5.3%
EBITDA	846	402
EBITDA margin	6.2%	2.8%
Profit/loss after tax	(296)	(1,220)

During FY24, we recorded an operational revenue of ₹13,697 million, demonstrating a slight degrowth from the previous fiscal year's ₹14,209 million. Our EBITDA (pre-ESOP) experienced increase of 41% i.e ₹1,068 million in FY24 compared to ₹ 756 million in FY23. Moreover, we incurred a net loss of ₹ 296 million in FY24, primarily attributable to exceptional factors accrual of domain expert advisory fees for API revamp in manufacturing and procurement processes.

Revenue performance by geography

Revenue distribution	FY24	FY23	YoY Growth %	YoY Growth % (In cc)
Formulations	9,997	10,021	(0.2%)	(0.5%)
Europe	4,868	4,158	17.1%	9.5%
Emerging Markets	4,091	4,807	(14.9%)	(8.8%)
India	1,038	1,055	(1.7%)	(1.7%)
APIs	3,260	3,807	(14.4%)	(16.3%)
Other Sales	133	91	NM	NM
Global Sales	13,390	13,920	(3.8%)	(4.4%)
Adjustment* - Ind AS 29	307	289		
Reported Sales	13,697	14,209	(3.6%)	(4.2%)

cc - Constant Currency | *Adjustment on account of hyperinflation in Turkey as per Ind AS 29 | NM – Not Material

For like to like comparison by adjusting for the discontinued operations in Europe and accounting for the current currency impact in Turkey, our sales for the year can be considered to have grown by 1.6% year-on-year in rupee terms. The formulation business saw a slight decline from ₹10,021 million in FY23 to ₹ 9,997 million in FY24, primarily due to the discontinuation of low-margin operations in Europe and the discontinuation of a product by a prime distributor in India. However, our European business showed strong growth of 17.1%, driven by a strategic focus on product mix and the launch of new lines. Emerging markets exhibited muted performance in MENA due to currency availability issues and currency accounting impacts in Turkey. In Turkey, our strategic efforts on price increases and repositioning have improved performance in the second half of FY24. In a subdued global market, our API revenues in FY24 stood at ₹ 3,260 million, compared to ₹ 3,807 million in FY23. Regulated markets and top customers in Europe and the US continue to contribute the bulk of our API revenues. Our focus on quality customers and business has helped the API segment deliver enhanced margins. During the year, we successfully implemented Project Pragati, a comprehensive program aimed at improving efficiency, yields, and overall operational performance.

Key Ratios

Ratios	FY24	FY23
Debtors Turnover Ratio (Days)	85	88
Inventory Turnover Ratio (Days)	88	89
Interest Coverage Ratio	0.23	(1.02)
Current Ratio	1.29	1.48
Debt Equity Ratio	0.58	0.51
Operating Margin Ratio	5.05%	2.02%
Net Profit Margin	(2.16)%	(8.58)%
Return on net worth (RONW)	(5.46)%	(20.70)%

Internal Control

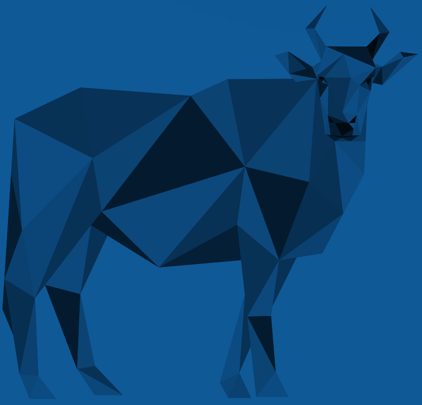
The Company has adequate internal controls and systems in place which provide reasonable assurance about the integrity and reliability of financial statements.

Additionally, Grant Thornton, a leading global audit firm performs periodic internal audits to provide reasonable assurance over internal control effectiveness and advises on industry-wide best practices. The Audit Committee consisting of Independent Directors review important issues raised by the Internal and Statutory Auditors, thereby ensuring that the risk is mitigated appropriately with necessary rectification measures on a periodic basis.

Business Responsibility & Sustainability Report

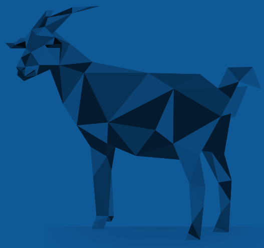
About The Company

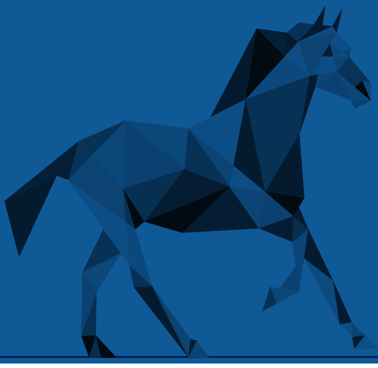
At **SeQuent Scientific Limited** we believe in partnering & empowering our stakeholders and creating a culture of transparency and accountability. We see our responsibility to take the lead in sustainable development not only as a duty to the society but also as an opportunity to give back to the society. By embracing sustainable development and going beyond minimum information disclosure requirements and regulatory compliance, we aim to protect and deliver value to all our stakeholders.



On these lines, the directors present the 'Business Responsibility & Sustainability Report' (BRSR) of the Company for FY 24, pursuant to Regulation 34(2) (f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. In an endeavour to go beyond and above the statutory requirements of disclosing and describing the initiatives taken by the Company through this reporting mechanism, the Company feels it is necessary to chart out its journey so far and ahead in alignment with the globally accepted ESG principles like UNSDGs. The data presented in this report for previous years has been rationalised wherever necessary.

In this report, the words – 'The Company', 'Sequent', 'We', 'Our' are used interchangeably to denote Sequent Scientific Ltd.





SECTION A:

GENERAL DISCLOSURES

I. Details of the listed entity:

1. Corporate Identity Number (CIN) of the Listed Entity	L99999MH1985PLC036685
2. Name of the Listed Entity	Sequent Scientific Limited
3. Year of incorporation	1985
4. Registered office address	301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22, Wagle Industrial Estate, Thane West – 400604, Maharashtra, India
5. Corporate address	301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22, Wagle Industrial Estate, Thane West – 400604, Maharashtra, India
6. E-mail	investorrelations@sequent.in
7. Telephone	+91 22 41114777
8. Website	http://www.sequent.in
9. Financial year for which reporting is being done	2023-24

10. Name of the Stock Exchange(s) where shares are listed : Name of the Stock Exchange(s) where shares are listed: ▶

Name of the Exchange	Stock Code
BSE Ltd.	512529
National Stock Exchange of India Ltd.	SEQUENT

11. Paid-up Capital	₹498.86 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Phillip Trott, Company Secretary Tel.: +91 22 41114777 Email: investorrelations@sequent.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). –	The disclosures under this report are made on a consolidated basis for Sequent Scientific Ltd. and Indian Operations of Alivira Animal Health Ltd. & Sequent Research Ltd. – which are wholly owned subsidiaries of Sequent Scientific Limited Ltd. – wherever applicable, unless specifically mentioned to be on a standalone basis
14. Name of assurance provider	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023
15. Type of assurance obtained	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023

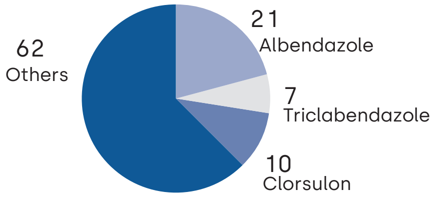
II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceuticals	Manufacturer of high quality Active Pharmaceutical Ingredients (API), Formulations and Research & Testing Activity	100%

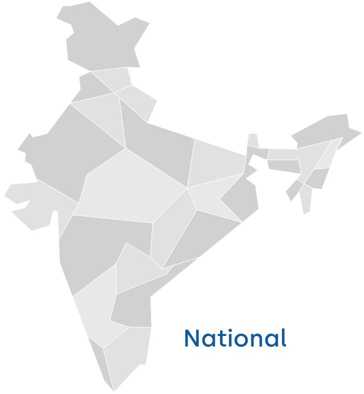
17. Products/ Services sold by the entity *(accounting for 90% of the entity's Turnover)*:

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1.	Albendazole	21005	21
2.	Triclabendazole	21005	7
3.	Clorsulon	21005	10
4.	Others	21005	62



III. Operations

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



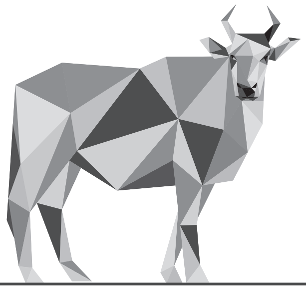
	National	International
Number of plants	4*	4^
Number of offices	2	17
	6	21

*Plant at Tarapur, Maharashtra operations discontinued during the year.

^The International operations are through foreign subsidiaries.

19. Markets served by the entity:

a. Number of locations



National	International
(No. of States & UTs)	(No. of Countries)
Pan India	**76**

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

Total contribution of exports is 50% of the total turnover of the Company.

c. A brief on types of customers:

Sequent offers products catering to both business-to-business (B2B) and business-to-consumer (B2C) clientele. Our API services target a broad spectrum of global animal health enterprises, encompassing both generic firms and those with proprietary brands within the animal health sector. Meanwhile, our Formulations division serves the consumer market directly.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	800	722	90.25	78	9.75
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	**Total employees (D + E)**	**800**	**722**	**90.25**	**78**	**9.75**
WORKERS						
4.	Permanent (F)	395	395	100.00	0	0.00
5.	Other than Permanent (G)	163	161	98.77	2	1.23
6.	**Total workers (F + G)**	**558**	**556**	**99.64**	**2**	**0.36**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100.00	0	0.00
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	**Total differently abled employees (D + E)**	**1**	**1**	**100.00**	**0**	**0.00**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NIL				
5.	Other than permanent (G)					
6.	**Total differently abled workers (F + G)**					

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	9	1	11.11
Key Management Personnel#^	2	0	0

*Mr. Haribabu Bodepudi joined the Board as a Non Independent Non-executive Director on 7th August 2023

#KMP mean CFO & CS of Sequent Scientific Ltd.

^During the year, Mr. P.V. Raghavendra Rao was the CFO till 25th October 2023, who was succeeded by Mr. Saurav Bhala w.e.f 6th November 2023. Mr. Krunal Shah was the CS till 15th February, 2024 who was succeeded by Mr. Phillip Trott w.e.f 16th February, 2024.

Note: The Board and KMP represent the BOD and KMP of Sequent Scientific Ltd. only

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

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.71	29.49	17.04	36.20	40.50	36.60	35.60	40.60	36.00
Permanent Workers	73.91	0.00	73.91	40.00	0.00	40.00	46.00	0.00	46.00

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ Subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Alivira Animal Health Limited (India)	Subsidiary	100.00	Yes
2.	SeQuent Research Limited (India)	Subsidiary	100.00	Yes
3.	Alivira Animal Health Limited, Ireland	Subsidiary	100.00	No
4.	Provet Veteriner Ürünleri San. Ve Tic. A. Ş.	Subsidiary	100.00	No
5.	Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş	Subsidiary	100.00	No
6.	Fendigo SA	Subsidiary	100.00	No
7.	Fendigo BV	Subsidiary	100.00	No
8.	N-Vet AB	Subsidiary	96.10	No
9.	Alviria Saude Animal Brasil Participacoes Ltda	Subsidiary	100.00	No
10.	Alivira Saude Animal Ltda. (formerly known as Evance Saude Animal Ltda. and Interchange Veterinária Indústria E Comércio Ltda.)	Subsidiary	100.00	No
11.	Evanvet Distribuidora De Produtos Veterinarios Ltda (Formerly known as Evance Saude Animal Ltda.)	Subsidiary	100.00	No
12.	Vila Viña Participacions S.L.	Subsidiary	60.00	No
13.	Laboratorios Karizoo, S.A.	Subsidiary	60.00	No
14.	Laboratorios Karizoo, S.A. DE C.V. (Mexico)	Subsidiary	60.00	No
15.	Comercial Vila Veterinaria De Lleida S.L	Subsidiary	60.00	No

S. No.	Name of the holding/ Subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
16.	Phytotherapic Solutions S.L	Subsidiary	60.00	No
17.	Bremer Pharma GmbH	Subsidiary	100.00	No
18.	Alivira France S.A.S.	Subsidiary	75.00	No
19.	Alivira Italia S.R.L	Subsidiary	95.00	No
20.	Alivira Animal Health USA LLC	Subsidiary	100.00	No
21.	Alivira Animal Health UK Ltd.	Subsidiary	100.00	No

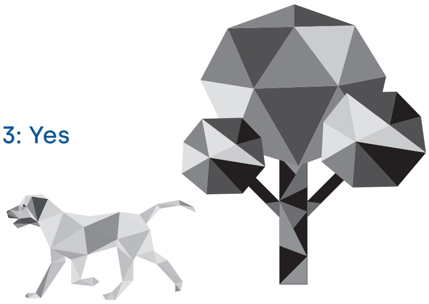
VI. CSR Details

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

(ii) Turnover (₹ in Mn) – 1,685.18

(iii) Net worth (₹ in Mn) – 10,872.28

(Above figures are only of Sequent Scientific Ltd.)



VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The respective plant heads address the local community grievances.	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes, Statutory mechanism specified under Companies Act & SEBI is followed & investors@sequent.in is the email id to raise grievances	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, Statutory mechanism specified under Companies Act & SEBI is followed & investors@sequent.in is the email id to raise grievances	Nil	Nil	NA	Nil	Nil	NA
Employees and Workers	Yes (Available on Intranet), HR head of the Company is the grievance redressal authority & hr@sequent.in is the email id to raise grievances	Nil	Nil	NA	Nil	Nil	NA

Stakeholder group from whom complaint is received	**Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)**	**FY 2023-24**			**FY 2022-23**		
		Number of complaints filed during the year	**Number of complaints pending resolution at close of the year**	**Remarks**	**Number of complaints filed during the year**	**Number of complaints pending resolution at close of the year**	**Remarks**
Customers	Complaints forwarded by field force are dealt with by the respective Zonal head and escalated to the Marketing head as the case may be	NIL	NIL	NA	NIL	NIL	NA
Value Chain Partners	Our Supply Chain team is the designated forum for all value chain partners to redress their grievances	Nil	Nil	NA	Nil	Nil	NA

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

S. No.	**Material issue identified**	**Indicate whether risk or opportunity (R/O)**	**Rationale for identifying the risk/ opportunity**	**In case of risk, approach to adapt or mitigate**	**Financial implications of the risk opportunity (Indicate positive or negative implications)**
1	Affordability & Pricing	Risk	Supplying active pharmaceutical ingredients (APIs) to pharmaceutical companies plays a crucial role in enhancing the accessibility and affordability of medications for patients. This is particularly important in numerous low- and middle-income countries, where access to medicines greatly improves as a result.	Continuous research and development, along with innovation in techniques, processes, and the management of input materials, enable Sequent to reduce this risk. Successful risk reduction contributes to enhancing the sustainability of the market.	↓ *There was no negative financial impact for the reporting year 2023-24
2	High Value -Limited Number of customers	Risk	Given the business-to-business nature of transactions and the limited number of high-value customers, the loss of one or more of these key clients or a decrease in the volume of business Sequent receives from them could negatively impact our business, financial health, and operational outcomes.	Sequent strives to continually innovate and broaden its customer network in order to lessen business concentration.	↓ *There was no negative financial impact for the reporting year 2023-24

[1] Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB). This follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk opportunity (Indicate positive or negative implications)
3	Employee Recruitment, Development & Retention	Risk	Animal health and pharmaceutical companies face fierce competition for skilled professionals. The industry relies on highly capable individuals to drive product innovation, conduct clinical trials, manage government regulations, and commercialize new products.	Sequent aims to retain its employees by implementing progressive, employee-friendly practices, especially in light of a limited pool of available talent. This strategic approach can provide us with a competitive advantage in terms of subject matter expertise.	⊕ ⊖ *There was no negative financial impact for the reporting year 2023-24
4	Supply Chain Management	Risk	In the Animal Health & Pharmaceuticals industry, maintaining high-quality supply chains is crucial for safeguarding consumer health and preserving corporate value. Biotechnology and pharmaceutical companies that neglect to uphold quality standards across their supply chains are at risk of experiencing revenue loss, disruptions in supply, and damage to their reputation.	Sequent prioritizes improving its supply chain program and policies, concentrating on sustainable methods to manage its supply chain effectively, thus safeguarding shareholder value. With robust policies and processes established, Sequent aims to guarantee business continuity in supply chain management.	⊕ ⊖ *There was no negative financial impact for the reporting year 2023-24
5	Environment Impact Management & GHG	Risk	Sequent's utilization of materials and adoption of processes that are prone to generating greenhouse gas emissions significantly contribute to its negative environmental impact.	Sequent's initiatives to mitigate its environmental footprint and reduce greenhouse gas emissions are outlined in Principle 6 - Essential Indicator 7.	⊖ *There was no negative financial impact for the reporting year 2023-24
6	Business Ethics	Risk	Animal health and pharmaceutical companies must adhere to a multitude of international, national, and state regulations concerning healthcare fraud and abuse. These regulations are put in place to ensure the integrity of healthcare systems and protect patients from fraudulent practices that could jeopardize their well-being.	Sequent adheres to the highest ethical and governance standards by implementing well-documented policies and providing comprehensive training. The Company strives to achieve optimal compliance through robust corporate governance practices, thereby mitigating regulatory risks.	⊕ ⊖ *There was no negative financial impact for the reporting year 2023-24

SECTION B:

MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The policies are approved by the functional heads and few of them have been adopted by the Board								
c. Web Link of the Policies, if available									

Sr No	Name of policy	Link to Policy	Which Principles each policies goes into
1	Sequent Familiarization Programmes for Independent Director	https://www.sequent.in/pdf/independent-director/Familarization_Programme_2023-2024.pdf	P1
2	Code of Conduct for Board & Senior Management	https://www.sequent.in/pdf/code-of-conduct/Code%20of%20Conduct%20&%20Ethics_Board%20of%20Directors.pdf	P1
3	Sequent Policy on Preservation and Archival of Documents	https://www.sequent.in/pdf/policies/SSL_Policy%20for%20preservation%20of%20documents.pdf	P1
4	Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives	https://www.sequent.in/pdf/policies/Sequent_Code%20of%20Conduct%20for%20Insider%20Trading.pdf	P1
5	Code Of Conduct for Fair Disclosure of Unpublished Price Sensitive Information	https://www.sequent.in/pdf/policies/CODE%20OF%20CONDUCT%20FOR%20FAIR%20DISCLOSURE.pdf	P1
6	Risk Management Policy	https://www.sequent.in/pdf/policies/Risk%20Management%20Policy.pdf	P1,P2
7	Sequent Supplier Code of Conduct	https://www.sequent.in/pdf/code-of-conduct/Sequent-Supplier_Code_of_Conduct.pdf	P1,P2
8	Sequent Policy on Determination of Materiality for Disclosure of Events or Information	https://www.sequent.in/pdf/policies/Policy%20on%20Determination%20of%20Materiality%20for%20Disclosure%20of%20Events%20or%20Information_Aug_10_2023.pdf	P1,P4
9	Policy on Related Party Transactions, Materiality of Related Party Transactions, Dealing with Related Party Transactions & Determination of Material Subsidiaries	https://www.sequent.in/pdf/policies/Amended%20Policy%20on%20Related%20Party%20Transactions.pdf	P1,P4,P7
10	Policy on prevention of Harassment & Discrimination	https://www.sequent.in/pdf/policies/ANTI-DISCRIMINATION%20POLICY.pdf	P1,P5,P8
11	Board Diversity Policy	https://www.sequent.in/pdf/policies/SeQuent's%20Board%20Diversity%20Policy.pdf	P1,P8
12	Environment, Health & Safety Policy	https://www.sequent.in/pdf/policies/EHS%20Policy.pdf	P2,P6
13	Sequent's Policy on Director's Appointment and Remuneration	https://www.sequent.in/pdf/policies/Sequent%E2%80%99s%20Policy%20on%20Director%E2%80%99s%20Appointment%20and%20Remuneration.pdf	P3,P4
14	Sequent Policy on Dividend Distribution	https://www.sequent.in/pdf/policies/Sequent_Dividend_Distribution_Policy.pdf	P3,P4

Sr No	Name of policy	Link to Policy	Which Principles each policies goes into
15	Sequent Corporate Social Responsibility (CSR) Policy	https://www.sequent.in/pdf/policies/Corporate%20Social%20Responsibility%20(CSR)%20Policy.pdf	P4,P8
16	Prevention of Sexual Harassment Policy	https://www.sequent.in/pdf/policies/POLICY%20OF%20PREVENTION%20OF%20SEXUAL%20HARASSMENT%20OF%20WOMEN%20(POSH).pdf	P5
17	Employee Grievance Policy	Internal	P5
18	Policy on Equal Opportunity (Part of Anti-Discrimination Policy)	Internal	P8
19	Ethics Policy	Internal	P1
20	IT Policy	Internal	P1,P2,P7
21	Gift Policy (Part of Anti-Corruption Compliance Policy)	Internal	P1,P4
22	Code on Prevention of Insider Trading	Internal	P1,P4,P7
23	Anti-Corruption Compliance Policy	Internal	P1,P7
24	Sustainable Procurement Policy	Internal	P2,P3,P9
25	Human Rights Policy	Internal	P3
26	Flexible Working Hours & Paternity Leave Policy	Internal	P3,P4
27	Employee Insurance Policy	Internal	P3,P5

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001: 2018 has been obtained for the Mahad plant. This specifies requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance. The Company obtained the certificate in 2022. ISO 14001: 2015 has been obtained for the Mahad plant. This specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. The Company obtained the certificate in 2022. Vizag site secured Establishment Inspection Report (EIR) from US FDA post audit in September 2023.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Sequent has already started its ESG journey and it maintains and implements a well-defined Environmental, Health and Safety policy which covers all the subsidiaries, key suppliers, and contractors, and is communicated to all the stakeholders. The Company is in process of evaluating status of its alignment with the Global Initiatives and goals towards sustainable business practices, decarbonization and GHG emission reduction and shall endeavor to consider the same in coming years.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

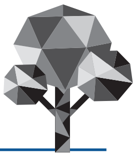
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	At Sequent, we are dedicated to enhancing our Environmental, Social, and Governance (ESG) practices in both thought and action. Recognizing the importance of responsible manufacturing in the pharmaceutical sector, we aim to minimize the environmental impact of our operations through efficient resource use, waste management, GHG reduction, and reclamation efforts. Our goal is to align with the target of achieving net-zero emissions in the coming years. By identifying risks and developing mitigation measures, we have begun our journey towards becoming a more responsible and sustainable organization for a better future for the planet. Additionally, we conduct our operations with the highest regard for the welfare and safety of our employees and the communities in which we operate. We promote diversity, inclusivity, and ethical practices, fostering a positive and transparent work culture. With a robust governance framework, we ensure accountability, integrity, and sound decision-making. Our integrated approach to technological development and advancement aims to deliver a wide range of sustainable outcomes across the three pillars of ESG.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sharat Narasapur, Director Mr. Vedprakash Ragate, Executive Director (w.e.f 17th April, 2024)
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Board of Directors take all the sustainability related decisions.

10. Details of Review of NGRBCs by the Company:

Subject for Review	**Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against abovepolicies and follow up action	Performance against above mentioned policies and follow up action is reviewed by the Board of Directors, Nomination and Remuneration Committee, Risk Management Committee and Audit Committee, as applicable.									Periodically								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company monitors and completes the compliances on timely basis.									Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. Dhir & Dhir Associates, a Law Firm conducted an evaluation to assess the implementation and effectiveness of policies. The evaluation primarily focused on the effectiveness of policy execution. Moreover, the policies undergo periodic evaluations and revisions led by department heads and business heads, followed by approval from the management or board. It is important to mention that internal auditors and regulatory bodies may review the processes and compliance measures, as necessary.																	

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									



SECTION C:

PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

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

Segment	Total Number of Training and awareness Programmes held	Topics/Principles Covered Under the Training and its Impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Awareness of BRSR and Its Principles	100.00
Key Managerial Personnel	1	Awareness of BRSR and Its Principles	100.00
Employees other than BoD and KMPs	68	Awareness on BRSR and its principles, Code of Ethics, Company Philosophy Policy on Confidentiality of Company Information, Data Integrity, Whistle Blower Policy, Employee Grievance Policy, Sequent Code of Conduct for Prohibition of Insider Trading, Anti-Discrimination Policy, Policy of Prevention of Sexual Harassment, Economic Sanction Policy, Anti-money Laundering & counter terrorism financing compliance Policy, Ani-corruption compliance Policy, Prohibition of Child Labour, Cyber Crime, PIT Regulations	100.00
Workers	152	Trainings pertaining to Health and Safety, technical trainings, Emergency planning, Mock Drills, Fire Safety, etc	100.00

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

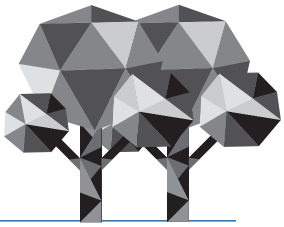
	Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine	NIL				
Settlement					
Compounding Fee					

	Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	NIL				
Punishment					

Note: The Company, its Directors and/or KMPs have not been subjected to any thresholds of the materiality policy to pay any fines, penalties, punishments, awards, compounding fees, or settlement amounts in the financial year

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

Case Details	NIL
Name of the regulatory/ enforcement agencies/judicial institutions	

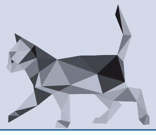
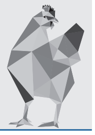


4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has developed and implemented the Anti-Corruption Compliance Policy, which is applicable in the jurisdiction where it operates. This policy applies to all directors, officers, as well as full-time, part-time, and temporary employees of the Company. The Policy, along with the internal controls established therein, is designed to prevent bribery or any form of misconduct and enables the Company to promptly and effectively address inquiries regarding its conduct and the conduct of those acting on its behalf.

The policy can be accessed on the intranet of the Company.

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

	FY 2023-24	**FY 2022-23**
Directors	NIL 	NIL 
KMPs		
Employees		
Workers		

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

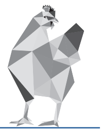
	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

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

The Company has not faced any penalties or sanctions from any regulatory authority.

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

	FY 2023-24	FY 2022-23
Number of days of accounts payables	**141**	**78**



9. Open-ness of Business

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

Parameter	Metrics		FY 2023-24	FY 2022-23
Concentration of Purchases	a.	Purchases from Trading houses as % of total purchases	19	21
	b.	Number of trading houses where purchases and made from	167	175
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	46	43
Concentration of Sales	a.	Sales to dealers/distributors as % of total sales	29	23
	b.	Number of dealers/distributors to whom sales are made	938	920
	c.	Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	22	21
Share of RPTs in	a.	Purchases (Purchases with related parties/Total Purchases)	25	35
	b.	Sales (Sales to related parties/Total Sales)	20	27
	c.	Loans & advances (Loans & advances given to related parties/Total loans & advances)	100	100
	d.	Investments (Investments in related parties/Total Investments made)	98	100

Note: While considering the Total Sales/Purchases/Loans and advances/Investments, entire total of three entities mentioned in the Reporting Boundary are considered and percentages of RPT's are computed accordingly.

Leadership Indicators

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

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) that were assessed
3	Code of Conduct, Sustainable procurement, Transportation Safety	Training was imparted to 4 (30%) value chain partners out of 13 value chain partners. They contribute to more than 50% of API business of Sequent and Alivira

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

Yes, according to the Company's Code of Conduct & Ethics policies, if a Director possesses an actual or potential conflict of interest, as outlined in the policies, they are required to disclose the following information to the Board:

1. The existence and nature of the actual or potential conflict of interest.
2. All relevant facts within their knowledge concerning the transaction that might influence a decision about whether to proceed with it.

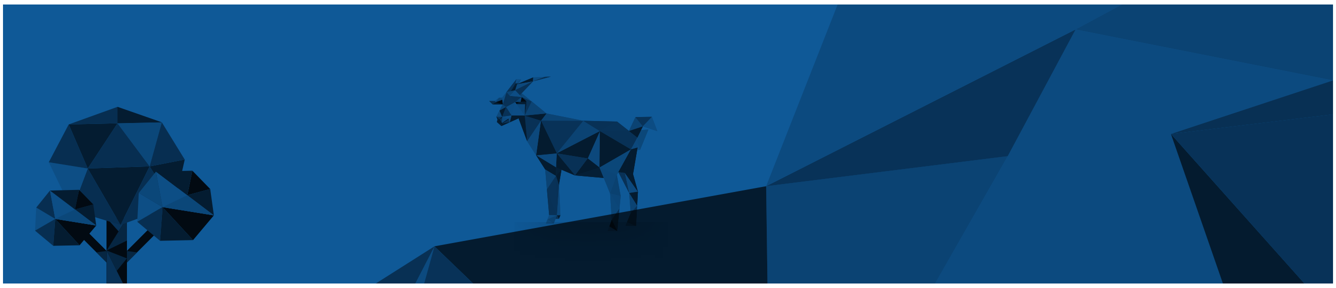
The Director is permitted to proceed with the transaction only after obtaining approval from the Board.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	FY 2023-24	FY 2022-23	Details of Improvements in environmental and social impacts
R&D	1%	5%	The Company has enhanced its facilities with investments in fume hoods, flameproof cabinets, laboratory analytical instruments, and upgrades to the fire hydrant system to improve safety. These measures are designed for the proper storage of chemicals to prevent air pollution and to ensure emergency preparedness for fire management.
Capex	11%	7%	The Company has invested in strengthening the Multiple Effect Evaporator (MEE), installing a High COD Tank, and a clarifier, relocating the PESO area, and enhancing the Effluent Treatment Plant (ETP) to improve its efficiency.



2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company sources APIs, intermediates, excipients, raw materials, and packaging materials for the production of intermediates, APIs, and formulations in an environmentally and socially sustainable manner. This practice is underpinned by our sustainable procurement policy, which is internally accessible to all stakeholders as detailed in Section B of this report.

b. If yes, what percentage of inputs were sourced sustainably?

Since Sequent tries to procure all the ingredients sustainably, exact computation of percentage is not being done.

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

The Company has a strong protocol in place for managing product end-of-life, hazardous waste, e-waste, and plastic waste. It follows a structured procedure for reclaiming products and ensuring their safe disposal. Waste generated during the manufacturing process is stored and then disposed off to authorized recyclers or TSDF (Transport, Storage, and Disposal Facility) sites, in compliance with approved consent and utilizing manifest and TREM card protocols. Plastic waste undergoes detoxification and is disposed off to authorized local scrap vendors. E-waste is segregated, labeled, stored, and ultimately disposed of through manifest to authorized recyclers.

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

No, EPR is not applicable to the Company.

Leadership Indicators

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

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
21005	Albendazole	21%	Albendazole end to end life cycle assessment completed internally	No	No

Note: During conducting the LCA, stages from procurement of raw material to dispatch of final product are considered

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

Name of Product/ Service	Description of the risk/ concern	Action Taken
Albendazole	Generation of hazardous waste may affect employee health	Segregation, dedicated storage & safe disposal to authorized agency
	Air pollution released in environment might affect to nearby community	Wet scrubber provided to scrub vapours & gases generated from process, dust collectors provided to control dust generated from process
	Polluted water released in environment might be harmful to community & flora fauna	Full fledge effluent treatment facility available as primary, secondary & tertiary treatment for low COD & MEE, ATFD for high COD. Treated effluent approx. >90% (Mahad) reused at process cooling tower
	Land contamination	Containment dyke, spill control kit available, training is provided

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
We are into pharmaceutical industry, strictly regulated by provisions regulating our manufacturing processes & usage of inputs material for manufacture of APIs & formulations, which does not allow us to use any reused/ recycled inputs material.		

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

	FY 2023-24			FY 2022-23		
	Re- Used	Recycled	Safely Disposed	Re- Used	Recycled	Safely Disposed
Plastics (including packaging)	**At the end of life, there are no reclaimed materials**					
E-waste						
Hazardous Waste						
Other waste						

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

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

Since Sequent does not fall under EPR, there are no packaging material / products reclaimed

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	722	722	100.00	722	100.00	0	0.00	722	100.00	0	0.00
Female	78	78	100.00	78	100.00	78	100.00	0	0.00	0	0.00
Total*	**800**	**800**	**100.00**	**800**	**100.00**	**78**	**100.00**	**722**	**100.00**	**0**	**0.00**
Other than Permanent Employees											
Male	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**

* Percentage of (D) & (E) – maternity and paternity benefit is calculated as 100% as per FAQs on BRSR issued by NSE dt. May 10, 2024

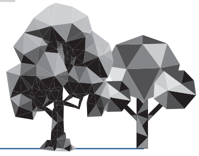
b. Details of measures for the well-being of workers:

	% of workers covered by											
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	395	395	100.00	395	100.00	0	0.00	395	100.00	0	0.00
Female	0		0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total*	**395**	**395**	**100.00**	**395**	**100.00**	**0**	**0.00**	**395**	**100.00**	**0**	**0.00**
Other than Permanent Workers											
Male	161	13	8.07	13	8.07	0	0.00	7	4.35	0	0.00
Female	2	0	0.00	0	0.00	2	100.00	0	0.00	0	0.00
Total*	**163**	**13**	**7.98**	**13**	**7.98**	**2**	**100.00**	**7**	**4.29**	**0**	**0.00**

* Percentage of (D) – maternity benefit is calculated as 100% as per FAQs on BRSR issued by NSE dt. May 10, 2024

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.17	0.15



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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00	100.00	Yes	100.00	100.00	Yes
Gratuity	100.00	100.00	NA	100.00	100.00	NA
ESIC	15.00	76.00	Yes	25.00	83.00	Yes

3. Accessibility of workplaces

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

Yes, the premises are accessible to differently able employees and workers. The Corporate office and plants are equipped with ramps, lifts and other amenities for differently abled employees and workers.

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

Yes, the Company has an Anti-Discrimination Policy that includes a clause on Equal Employment Opportunity. This clause ensures that employment opportunities are provided without any form of discrimination or harassment based on race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, national origin, genetic information, or any other characteristic protected by law. Additionally, the Company is committed to complying with the relevant legislation regarding these protections.

The Policy can be accessed through https://www.sequent.in/pdf/policies/ANTI-DISCRIMINATION%20POLICY.pdf

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

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00	100.00	100.00	100.00
Female	100.00	100.00	100.00	100.00
Total	100.00	100.00	100.00	100.00

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	NA
Permanent Employees	Yes
Other than Permanent Employees	NA

Sequent has an Employee grievance policy in place setting out a detailed process starting from an informal discussion with the reporting manager to escalation at Managing Director level. For handling Shareholder's grievances – mechanism set by SEBI is in place. Grievances by other stakeholders are handled at respective levels and by respective functions concerned with the grievance.

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**800**	**0**	**0.00**	**821**	**0**	**0.00**
Male	722	0	0.00	742	0	0.00
Female	78	0	0.00	79	0	0.00
Total Permanent Worker	**395**	**166**	**42.03**	**480**	**171**	**35.63**
Male	395	166	42.03	479	171	35.70
Female	0	0	0.00	1	0	0.00

8. Details of training given to employees and workers:

	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	722	722	100.00	612	84.07	742	742	100.00	629	84.77
Female	78	78	100.00	71	91.03	79	79	100.00	72	91.14
Total	**800**	**800**	**100.00**	**683**	**85.38**	**821**	**821**	**100.00**	**701**	**85.38**
Workers										
Male	556	556	100.00	10	1.80	566	479	84.63	446	78.80
Female	2	2	100.00	2	100.00	3	1	33.33	1	33.33
Total	**558**	**558**	**100.00**	**12**	**2.15**	**569**	**480**	**84.36**	**447**	**78.56**

Sequent continues to find avenues where the workforce needs to be trained.

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	722	719	99.58	742	596	80.32
Female	78	67	85.90	79	54	68.35
Total	**800**	**786**	**98.25**	**821**	**650**	**79.17**
Workers						
Male	556	199	39.79	566	263	46.47
Female	2	0	0.00	3	1	33.33
Total	**558**	**199**	**35.66**	**569**	**264**	**46.40**

10. Health and safety management system:

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

Yes. The Company has implemented an Occupational Health and Safety management system at all the plants of Sequent Scientific Ltd. and Alivira Animal Health Ltd. The ISO 45001 (Health & safety Management System) and ISO 14001 (Environment Management System) certification has been obtained for Mahad Plant.

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

Yes, The processes such as HIRA (Hazard Identification & Risk Assessment), HAZOP (Hazard & Operability Study) have been implemented, and Near Miss and Unsafe Conditions are also being monitored and tracked for all the plants of Sequent Scientific Ltd. and Alivira Animal Health Ltd.

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

Yes. A mechanism and Standard Operating Procedures (SOPs) for reporting Unsafe Conditions, Acts, and Near Miss, enabling the reporting of work-related hazards and outlining plans for prevention of hazards is in place for all the plants of Sequent Scientific Ltd. and Alivira Animal Health Ltd. Oversight of these processes is carried out by the Safety Committee at respective sites and reviewed on regular basis by Management.

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

Yes, the employee/workers of the Company have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.00	0.00
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Following measures are taken to maintain safe and healthy workplace

- Near miss reporting to minimise incidents
- Trainings provided to employees
- PPE issued and used by plant workforce
- SCM meetings are conducted with staff and workers
- H&S KPI to reduce incidents

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

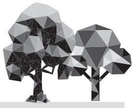
Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

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

Post the assessments on health & safety aspects following corrective/ preventive actions are taken:



- Trainings imparted
- CAPA shared with employees and training to avoid re occurrence
- SOP for incident investigation and CAPA
- Root cause, CAPA and actions monitoring
- Tracking in ORM (Operational Review Meeting)
- Why Why analysis done

Leadership Indicators

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

   Yes. The Company offers a Group Term Life Insurance policy and based on the employee's level/grade, with coverage ranging from a minimum of ₹ 5 lakhs to a maximum of ₹ 20 lakhs. The coverage amount for workers is set at ₹ 5 lakhs. The specific coverage for each employee level/grade is outlined in the policy.

   The Company also provides Group personal accident policy which provides coverage of 4 times of annual basic salary in case of event of death.

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

   At present, there is no system in place to guarantee that statutory payments are being deducted and deposited by value chain partners. Nevertheless, Sequent aims to establish such a mechanism in the future.

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	0	0	0	0

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

   No. As per the Human Resources policy, the Company currently does not provide any transition assistance.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	30% assessment done of key suppliers, which contribute to 50% of the API business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.
Working Conditions	30% assessment done of key suppliers, which contribute to more than 50% of the API business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.

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

   Training provided to value chain partners & regular follow up is taken to ensure compliance.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

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

   The Company's stakeholder engagement process includes identifying both internal and external stakeholders. We then assess the impact of each stakeholder group on our business and vice versa. Following this analysis, we prioritize our key stakeholders to better understand their expectations and concerns. Through ongoing interactions across various channels, we aim to strengthen our relationships and refine our organizational strategy.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice, Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / Others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website	Quarterly	Company Financials
Employees	No	Meetings, Notice boards, Email, Internal Employee Portal, Website	Frequently, need based	Health information, Knowledge Sharing, Benefits Information Sharing, Company Information, Financial Planning, Rewards & Recognition, Learning & Development, Employee wellbeing, health awareness (both psychological and physical)
Value Chain Partners	No	Email, phone calls, online meetings, physical meetings.	Quarterly	For Quarterly rate settlements, development of product or issues in supplies.
Community	No	Newspaper, Website, Pamphlets, Advertisements	Need Based	For business related updates
Regulatory Bodies	No	Website, Newspaper, Email	Periodically	Fair and ethical business practices and Transparency in disclosures
Customers	No	Website, Newspaper, Email, SMS, Pamphlets	Regularly	Product & business-related updates

Leadership Indicators

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

The Company engages in regular discussions with customers, and the feedback gathered is shared during business reviews attended by the Board Members.

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

Sequent has received guidance from customers and consultants during regular interactions. Equipment at the factories has been updated accordingly.

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

The Company actively involves marginalized stakeholders in its CSR initiatives and addresses their concerns. The Company is dedicated to enhancing this approach in the future.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	800	800	100.00	821	821	100.00
Other than permanent	0	0	0.00	0	0	0.00
Total Employees	**800**	**800**	**100.00**	**821**	**821**	**100.00**
Workers						
Permanent	395	395	100.00	480	480	100.00
Other than permanent	163	163	100.00	89	0	0.00
Total Workers	**558**	**558**	**100.00**	**569**	**480**	**84.36**

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

	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	800	5	0.63	795	99.38	821	11	1.46	810	98.66
Male	722	3	0.42	719	99.58	742	6	0.81	736	99.19
Female	78	2	2.56	76	97.44	79	5	7.59	74	93.67
Other than Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers										
Permanent	395	29	7.34	366	92.66	480	49	10.21	431	89.79
Male	395	29	7.34	366	92.66	479	49	10.23	430	89.77
Female	0	0	0.00	0	0.00	1	0	0.00	1	100.00
Other than Permanent	163	56	34.36	107	65.64	89	89	100.00	0	0.00
Male	161	54	33.54	107	66.46	87	87	100.00	0	0.00
Female	2	2	100.00	0	0.00	2	2	100.00	0	0.00

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

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category (in INR per year)	Number	Median remuneration/ Salary/ Wages of respective category (in INR per year)
Board of Directors (BoD)*	8	3,11,80,000	1	0
Key Managerial Personnel	2	37,05,000	0	0
Employees other than BoD and KMP	718	4,07,434	78	4,50,706
Workers	395	2,46,446	0	0

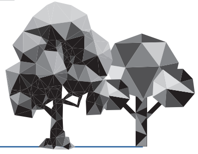
*Out of the 9 Directors, the median remuneration of Mr. Rajaram Narayanan who is Chief Executive Officer & Managing Director has been mentioned above. The remaining 8 Directors do not draw any salary/ commission, except for sitting fees.

^During the year, Mr. P.V. Raghavendra Rao was the CFO till 25th October 2023, who was succeeded by Mr. Saurav Bhala w.e.f 6th November 2023. Mr. Krunal Shah was the CS till 15th February, 2024 who was succeeded by Mr. Phillip Trott w.e.f 16th February, 2024.

Note: The median remuneration of the Board and KMP represent the BOD and KMP of Sequent Scientific Ltd. only. The median remuneration for the above table has been calculated on pro-rata basis.

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	6.00	6.00



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

   Yes, the Human Resources department is responsible with handling human rights issues within the Company.

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

   The Company has developed several policies regarding human rights matters, accessible on their website at https://sequent.in/polices-financials-subsidiaries.aspx.

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

Category	**FY 2023-24**			**FY 2022-23**		
	Filed during the year	**Pending resolution at the end of the year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of the year**	**Remarks**
Sexual harassment	1	1	The complaint was under investigation as at end of reporting period*	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other Human Rights related issues	0	0	NA	0	0	NA

*as on date the complaint has been resolved and disposed of as per provisions of law

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

Category	**FY 2023-24**	**FY 2022-23**
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees / workers	1.28	0.00
Complaints on POSH upheld	0	0

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

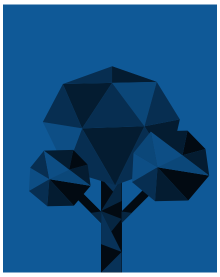
The Company's whistle-blower mechanism which is accessible to employees and workers safeguards the complainant and guarantees the confidentiality of their identity.

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

Yes, The Company has incorporated Human Rights requirements as a part of its business agreements

10. **Assessments for the year:**

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%, Regular inspections, both internal and statutory, are conducted at the Company's plants in accordance with standard operating procedures (SOPs) and statutory regulations.
Forced/involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	



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

The significant risk/ observations identified from the aforementioned assessment, along with all routine concerns, are addressed using established standards and standard operating procedures (SOPs).

Leadership Indicators

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

Not Applicable as no business processes were modified or introduced to address human rights grievances or complaints during the reporting year

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

Not Applicable as no Human Rights due diligence was conducted during the reporting year

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

Yes, the premises are accessible to differently abled visitors. The Corporate office and plants are equipped with ramps, lifts and other amenities for differently abled visitors.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	30% assessment done of key suppliers which contribute to 50% of the business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.
Discrimination at workplace	30% assessment done of key suppliers which contribute to 50% of the business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.
Child Labour	30% assessment done of key suppliers which contribute to 50% of the business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.
Forced Labour / Involuntary Labour	30% assessment done of key suppliers which contribute to 50% of the business of Sequent Scientific Ltd. and Alivira Animal Health Ltd.
Wages	Not assessed

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   The significant risk/ observations identified from the aforementioned assessment, along with all routine concerns, are addressed using established standards and standard operating procedures (SOPs).

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

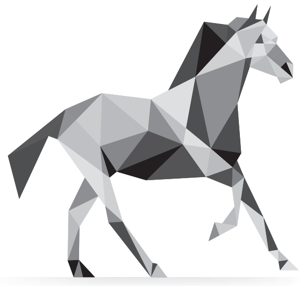
Parameter	FY 2023-24 (In Tera Joules)	FY 2022-23 (In Tera Joules)
From renewable sources		
Total electricity consumption (A)	0.16	0.00
Total fuel consumption (B)	84.04	58.23
Energy consumption through other sources (C)	0.00	0.00
Total Energy consumption from renewable sources (A+B+C)	84.20	58.23
From non-renewable sources		
Total electricity consumption (D)	72.82	60.24
Total fuel consumption (E)	99.74	120.13
Energy consumption through other sources (F)	0.00	0.00
Total Energy consumption from non-renewable sources (D+E+F)	172.56	180.36
Total energy consumed (A+B+C+D+E+F)	256.76	238.59
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations) - TJ/Rs	0.000000046	0.000000036
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000010	0.0000008
Energy intensity in terms of physical output - TJ/Kg	0.038741	0.027680
Energy intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

   Our facilities are not included within the ambit of the Perform, Achieve, and Trade (PAT) Scheme initiated by the Government of India. This means that our sites are not subject to the regulations and requirements set forth by the PAT Scheme, allowing us flexibility in our operations while ensuring compliance with relevant energy efficiency and conservation standards.



3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0.00
(ii) Groundwater	0.00	0.00
(iii) Third party water	1,06,746.66	1,09,804.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,06,746.66	1,09,804.00
Total volume of water consumption (in kilolitres)	52,856.06	59,447.07
Water intensity per rupee of turnover (Water consumed / Revenue from operations) – KL/Rs	0.0000095	0.0000088
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00021	0.00020
Water intensity in terms of physical output – KL/Kg	0.037797	0.042510
Water intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00

*For the Corporate office, the Company has approximated 5 litres of water per person as consumption since the Company operates in a rented premises.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

4. Provide the following details related to water discharged

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – Full Fledged effluent treatment system available with primary, secondary and tertiary system and treated effluent sent to CETP (Common Effluent Treatment Plant)	35,013.41	36,158.71
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**35,013.41**	**36,158.71**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has successfully implemented Zero Liquid Discharge (ZLD) systems at two of its manufacturing facilities: Tarapur and Mahad. At the Mahad Plant, in compliance with operational regulations, the Company operates a Multi Effect Evaporator (MEE) plant with a capacity of 100 cubic meters per day (CMD), an Agitated Thin Film Dryer (ATFD) plant capable of treating 25 CMD, a Reverse Osmosis (RO) plant with a capacity of 120 CMD, and an Effluent Treatment Plant (ETP) processing 120 CMD. This ETP incorporates primary, secondary, and tertiary treatment processes to handle 87.83 CMD of industrial effluent and 13 CMD of domestic effluent. The treated effluent is then recycled for use in process cooling towers, with a maximum recycling capacity of 69 CMD, while the remaining treated effluent, up to 18.5 CMD, is safely disposed of through the Common Effluent Treatment Plant (CETP).

At the Tarapur plant, while in operations, company has implemented a partial ZLD facility. This includes separate treatment systems for High Chemical Oxygen Demand (HCOD) and Low Chemical Oxygen Demand (LCOD). For HCOD, the effluent undergoes neutralization in a reactor before being evaporated in a Reboiler. For LCOD, primary, secondary, and tertiary treatments are performed through an ETP and RO plant. According to regulatory consent, the Company is permitted to treat up to 37.8 CMD of industrial effluent and 12 CMD of domestic effluent at the Tarapur facility.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx*	Kg	51,590.87	22,24,350.12
SOx	Kg	45,544.21	56,560.90
Particulate matter (PM)	Kg	22,349.52	42,424.34
Persistent organic pollutants (POP)		0.00	0.00
Volatile organic compounds (VOC)		0.00	0.00
Hazardous air pollutants (HAP)		0.00	0.00
Others		0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, In Mahad and Ambernath unit, the independent assessment for stack monitoring analysis has been carried out by Excellent Enviro and in Vizag unit, the same has been done by Savanth Enviro Tech.

*For the financial year 2023-24 NOx was not monitored quarterly as per the new MPCP consent, hence a considerable difference is observed between the values of 2023-24 and 2022-23

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions **(Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	Metric tonnes of CO_2 equivalent	20,173.87	17,359.72
Total Scope 2 emissions **(Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	Metric tonnes of CO_2 equivalent	16,394.13	13,459.92
Total Scope 1 and Scope 2 emissions per rupee of turnover **(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)**	Metric tonnes of CO_2 equivalent	0.0000066	0.0000046
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) **(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)**	Metric tonnes of CO2 equivalent/ Rupees	0.00015	0.00010
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	Metric tonnes of CO_2 equivalent/ Kg	0.011723	0.009625
Total Scope 1 and Scope 2 emission intensity **(optional) – the relevant metric may be selected by the entity**		0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

In its endeavour to protect the environment and reduce its carbon footprint, the Company takes several initiatives to achieve the same. The consumption of non-renewable polluting fuel is being continuously reduced. Furnace oil (a polluting fuel) was replaced by a Clean fuel (PNG) resulting in reduction in the GHG emissions of the Company in some of its plants. There was a considerable decrease in the total particulate emission as a result of this initiative (60 mg/Nm3 to 43 mg/Nm3). Many other projects are under consideration to achieve the ultimate goal of reduction in energy consumption, waste generation and GHG emissions.

Further to the above, following initiatives help in GHG emission reductions further –

a. In Mahad, significant environmental initiatives have been undertaken. Outside the plot, covering an area of 7,400 square meters, a substantial plantation project has been completed, with 1,000 trees planted during the 2022-2023 period and an additional 400 trees in 2023-2024. Additionally, solar panels have been installed on the rooftop of the administrative area, with a capacity of 73.5 KW. From July 2023 to March 2024, these panels generated 45,040 KWH of energy, contributing to the site's sustainability efforts.

b. Installation of new glass line reactors

c. Installation of light sensors, switch to usage of LEDs

d. Reduction in carbon footprint through substituting electricity purchase with solar energy & bio fuels for increased energy requirements

e. Strengthening of Solvent emission controls

f. Diversion of Hazardous waste for processing for reuse as alternate fuel

g. Recycling of treated water and reuse for domestic purposes

h. Installation of vent condensers installed to bulk solvents storage to control solvent emissions

i. Energy reduction by Installation of VFD's(variable frequency device) such as centrifuges, vacuum pumps, Effluent treatment plant by enabling electric motors to operate at low speed

9. Provide details related to waste management by the entity, in the following format:

Parameter	**FY 2023-24**	**FY 2022-23**
Total Waste generated (in metric tonnes)		
Plastic waste (A)	25.11	26.39
E-waste (B)	15.36	0.00
Bio-medical waste (C)	0.32	0.00
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.98	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please Specify, if any. (G)	877.07	1,113.58
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	552.09	500
Total (A+B + C + D + E + F + G + H)	**1,470.93**	**1,639.97**
Waste intensity per rupee of turnover **(Total waste generated / Revenue from operations) – MT/Rs.**	0.00000026	0.00000024
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) **(Total waste generated / Revenue from operations adjusted for PPP)**	0.0000059	0.0000054
Waste intensity in terms of physical output – **MT/Kg**	0.001051	0.001172
Waste intensity (optional) - the relevant metric may be selected by the entity	0.00	0.00

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
All Category of waste		
(i) Recycled	1.47	66.93
(ii) Re-used	0.0	0.00
(iii) Other recovery operations	217.29	318.41
Total	**218.76**	**385.34**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
All Category of waste		
(i) Incineration	142.36	136.92
(ii) Landfilling	515.96	591.32
(iii) Other Disposal Operations - Co-processing	0.00	0.00
Total	**658.32**	**728.24**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The Company disposes all its waste as per norms/ regulations and follows the waste management principle of 5.

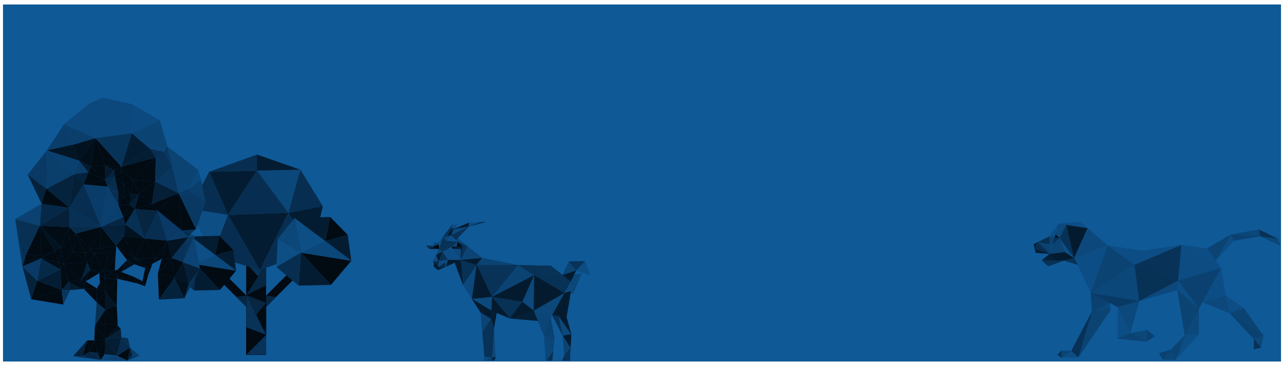
The hazardous waste generated is packed in suitable containers and sent to designated hazardous waste storage area. The hazardous waste storage area is in compliance with all applicable rules/ laws. The hazardous waste is segregated as per the compatibility in dedicated areas. The waste is labelled and sent to authorised party through an authorised transporter.

The incinerable waste (Spent carbon, biomedical waste, Distillation residue, Process dust) with high Calorific Value is sent to cement manufacturing industry as an alternative to fuel. The plastic waste/ metal waste and other solid non-hazardous waste apart from boiler ash is subjected to in-house detoxification and de-labelling process to ensure all contamination is removed from it before sending it outside to authorised party.

The disposal of non-hazardous waste such as plastic waste and boiler ash is done by sending it to authorised recycler and brick manufacturer respectively. The biomedical waste generated at OHC inside the factory premises are disposed to authorised party.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.



The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable. In accordance with the Ministry of Environment, Forest & Climate Change (MoEF) guidelines, the industry/operations are exempt from the requirement to furnish environmental clearance or undergo an Environmental Impact Assessment (EIA).					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, the Company adheres to all relevant environmental laws and regulations.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area : Not Applicable

(ii) Nature of operations : Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
(ii) To Groundwater		
(iii) To Seawater		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)	Not Applicable	Not Applicable
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions **(Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)**	Metric tonnes of CO_2 equivalent	Not Assessed for the reporting period	Not Assessed for the reporting period
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity **(optional) – the relevant metric may be selected by the entity**			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of Solar power plant - Mahad	Solar panels have been installed on the rooftop of the administrative area, with a capacity of 73.5 KW. From July 2023 to March 2024, these panels generated 45,040 KWH of energy, contributing to the site's sustainability efforts.	The installation of solar panels on the rooftop of the administrative area, with a capacity of 73.5 KW, has yielded impressive results. From July 2023 to March 2024, these panels generated 45,040 KWH of energy. This initiative substantially contributes to the site's sustainability efforts by reducing dependence on non-renewable energy sources and lowering overall energy costs. The use of solar power mitigates greenhouse gas emissions, thereby decreasing the carbon footprint and advancing the site's commitment to environmental sustainability and energy efficiency. This successful implementation not only demonstrates the viability of renewable energy solutions but also sets a precedent for future sustainability projects.
2	Plantation activity in Mahad	In Mahad, significant environmental initiatives have been undertaken. Outside the plot, covering an area of 7,400 square meters, a substantial plantation project has been completed, with 1,000 trees planted during the 2022-2023 period and an additional 400 trees in 2023-2024.	The plantation project outside the plot, spanning 7,400 square meters, has resulted in the planting of 1,000 trees during the 2022-2023 period and an additional 400 trees in 2023-2024. This initiative is anticipated to sequester approximately 14 metric tons of carbon dioxide annually, making a significant contribution to reducing the carbon footprint. Moreover, the increased green cover will enhance biodiversity, improve air quality, and provide a more pleasant and sustainable environment for the community. The project exemplifies a strong commitment to environmental stewardship and sustainable development, setting a benchmark for similar initiatives in the region.
3	Reuse the treated condensate water in the boiler system.	The water reclaimed from steam condensation in boilers undergoes treatment, typically including processes such as softening, to ensure its quality meets the required standards. Softening involves the removal of minerals and impurities to enhance the water's suitability for reuse within the boiler system.	The implementation of treating and reusing condensate water in boilers is expected to yield a reduction in water intensity. By repurposing this water, there is a decreased reliance on freshwater sources for boiler operations, consequently lowering the overall water consumption associated with the process. This reduction in water intensity reflects positively on the organization's sustainability efforts, demonstrating a more efficient utilization of resources and a commitment to environmental stewardship. Additionally, by minimizing the demand for freshwater, the initiative contributes to mitigating potential strain on local water supplies and supports broader water conservation goals within the community or region. Overall, the outcome underscores the tangible benefits of adopting sustainable practices in industrial operations.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	Implementing the principles of the 5Rs for waste management.	The Company ensures that all generated waste is disposed of in accordance with regulatory standards. Moreover, proactive measures are taken to recover, recycle, and internally reuse waste materials wherever feasible. For instance, treated effluent is recycled, contributing to a more sustainable water management system. Plastic waste generation has been curtailed through effective recycling practices. Additionally, the utilization of boiler ash in brick production demonstrates a commitment to maximizing resource efficiency. Furthermore, distillation residue finds beneficial reuse in cement kilns, showcasing the Company's dedication to implementing environmentally sound waste management strategies across various operational facets.	As a result of our proactive waste management initiatives: 1. We have attained full compliance with legal regulations, ensuring responsible handling and disposal practices. 2. Our commitment to sustainability is evident through the decontamination and reuse of drums, minimizing waste and resource consumption. 3. Treated effluent is efficiently repurposed for process cooling towers and toilet flushing, leading to a significant reduction in fresh water usage, thereby conserving valuable natural resources. 4. Plastic waste is effectively decontaminated and reused for waste storage purposes, with the remaining portion responsibly directed to recycling facilities, aligning with our efforts to minimize environmental impact. 5. By diverting generated boiler ash to brick manufacturers, we contribute to circular economy principles, promoting the reuse of materials and reducing landfill burdens. 6. We harness energy from hazardous waste, not only minimizing environmental risks but also recovering valuable resources to enhance operational efficiency. Through these comprehensive waste management strategies, we not only alleviate the environmental burden but also drive cost savings by maximizing the reuse and recovery of various materials within our processes.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the Company has a business continuity plan (BCP) for corporates and major plants. The plan is prepared after rigorous discussions/ brainstorming with all relevant stakeholders. The major threats to business are considered among the list of identified risks/hazards/activities. The implementation responsibility of the same in case of major emergencies lies with site heads of respective units.

Apart from the BCPs the Company also has onsite emergency plans. The OSEP deals with all the emergencies/ hazards activities and risks that are within the scope of the organisation to deal with as these risks won't directly cause harm to business. All such incidents are dealt in detail in OSEP.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The Company has identified 13 suppliers with whom it has more than 50% API business operations. Out of these 13 value chain partners, 4 partners (30%) were evaluated during the years against certain parameters to assess their impact on Environment, Health and Safety, Sustainability amongst other things. Howsoever there was no any material adverse impact identified and the value chain partners were assessed to be in compliance with the statutory EHS framework.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

The Company has identified 13 suppliers with whom it has more than 50% API business operations. Out of these 13 value chain partners, 4 partners (30%) were evaluated during the years against certain parameters to assess their impact on Environment, Health and Safety, Sustainability amongst other things.

Note: For FY 2022-23 figures represented above in Principle 6, data for Sequent Research Ltd. and Corporate office of Sequent Scientific Ltd. and Alivira Animal Health Ltd. was not considered because of unavailability of the data and hence there is a deviation in figures for FY 2022-23 and FY 2023-24.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1.

a) Number of affiliations with trade and industry chambers/ associations.

The Company has 7 affiliations with trade and industry chambers/associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Pharmaceuticals Export Promotion Council of India (Pharmexcil)	National
2	Indian Merchant Chamber of Commerce (IMC)	National
3	Bombay Drug Manufacturer's Association	State
4	Bulk Drug Manufacturing Association, Hyderabad	State
5	Federation of Indian Export Organisations	National
6	Mahad Manufacturer's Association (MMA)	State
7	Jawaharlal Nehru Pharma City Association	State

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority

Brief of the case

Corrective active taken

Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
The Company actively participates in industry associations to advocate for the advancement of the industry and public good. It adheres to a Code of Conduct Policy to ensure the highest standards of business conduct in its engagements with these trade associations and industry bodies.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Since there are no projects falling under the purview of Social Impact Assessments, it is not applicable to the company.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

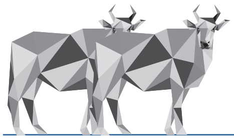
S. No	Name of Project for which R&R is ongoing	State	District	No. pf Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

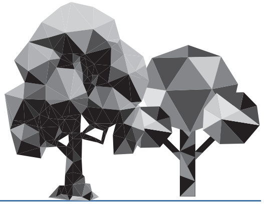
3. Describe the mechanisms to receive and redress grievances of the community.

Sequent has an Employee grievance policy in place setting out a detailed process starting from an informal discussion with the reporting manager to escalation at Managing Director level. For handling Shareholder's grievances – mechanism set by SEBI is in place. Grievances by other stakeholders are handled at respective levels and by respective functions concerned with the grievance.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	36%	28%
Sourced directly from within India	87%	93%





5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Parameter	FY 2023-24	FY 2022-23
Rural	0.00	0.00
Semi-Urban	46.66	39.97
Urban	53.34	60.03
Metropolitan	0.00	0.00

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Not Applicable for Sequent

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount spent (₹ in Mn)
1.	Andhra Pradesh	Vizag	4.33

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No, The Company does not have a preferential procurement policy

   (b) From which marginalized /vulnerable groups do you procure?

   The Company does not procure from any identified marginalized/ vulnerable groups

   (c) What percentage of total procurement (by value) does it constitute?

   NIL as the Company does not procure from any identified marginalized/ vulnerable groups

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
Our CSR initiatives revolve around Health, Education & Safety. All the beneficiaries of our CSR programme belong to marginalised strata of society. More details are available at CSR Report of the Annual Report.			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company places a high priority on addressing customer complaints transparently and with a focus on resolution. Our consumer policies are effectively implemented to ensure that complaints from both B2B and B2C segments are addressed satisfactorily and with efficiency.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable as our product does not require to carry this information
Safe and responsible usage	100.00
Recycling and/or safe disposal	Not Applicable as our product does not require to carry this information

3. **Number of consumer complaints in respect of the following:**

Category	FY 2023-24			FY 2022-23		
	Received during the Year	Pending resolution at end of year	Remarks	Received during the Year	Pending resolution at end of year	Remarks
Data Privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Delivery of es-sential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other – Customer Complaints	NIL	NIL	NA	NIL	NIL	NA
Total	**NIL**	**NIL**	**NA**	**NIL**	**NIL**	**NA**

4. **Details of instances of product recalls on account of safety issues:**

S. No	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**

   Yes, the Company has implemented a policy to manage cybersecurity and address data privacy risks. This policy is accessible to our employees on the company's intranet.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches

      NIL, there have not been any such instances during the reporting period

   b. Percentage of data breaches involving personally identifiable information of customers

      NIL, there have not been any such instances during the reporting period

   c. Impact, if any, of the data breaches

      Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Customers can access comprehensive product information, including details on product composition, dosage instructions, storage guidelines, safety precautions, and cautionary notes, on the website http://www.alivira.co/.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Product packaging contains the necessary usage details of the product

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Customers can access comprehensive product information, including details on product composition, dosage instructions, storage guidelines, safety precautions, and cautionary notes, on the website http://www.alivira.co/.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Sequent provides the statutorily required information on its products.

The initiatives taken by Sequent confer with many UNSDGs. The alignment of these initiatives with the NGRBC principles & UNSDGs is as follows:

3 GOOD HEALTH AND WELL-BEING	**SDG 3: GOOD HEALTH AND WELL BEING (P3, P8)** The Company covers its employees with insurances and provide various benefits such as maternity benefits, Insurance benefits etc. The Company have developed and implemented new standards and guidelines across our manufacturing sites to mitigate risks. A risk management committee has been established, meeting periodically to monitor progress in risk reduction. The Company's Mahad unit has obtained ISO 45001:2015 certification, demonstrating our commitment to health, and safety standards. This ISO outlines criteria for an occupational health and safety (OH&S) management system and offers advice on its implementation. Its purpose is to help organizations create safe and healthy work environments by preventing work-related injuries and illnesses, and by actively enhancing their OH&S performance. The certificate was acquired by the Company in 2022.
4 QUALITY EDUCATION	**SDG 4: QUALITY EDUCATION (P8)** As part of its CSR commitment, The Company contribute to initiatives that promote the holistic development of underprivileged youth. One such endeavour is our support for the Skill Development Programme in Mangalore and Ambernath The Company is improving education at Zilla Parishad schools by building infrastructure and supplying critical equipment
5 GENDER EQUALITY	**SDG 5: GENDER EQUALITY (P3, P4, P5)** The Company Annually commemorates International Women's Day with enthusiasm to honour the contributions of our female members and uphold our commitment to diversity, equity, and inclusion, which are deeply ingrained in our values.

6 CLEAN WATER AND SANITATION	**SDG 6: CLEAN WATER AND SANITATION (P6)** The Company has Implemented Zero Liquid Discharge (ZLD) technology, through which we recycle 100% of our wastewater, ensuring no liquid effluents are discharged in turn minimizing our water footprint Water dispensers with refrigerators have been installed in various Government hospitals to provide patients, visitors, and healthcare staff with access to cold and clean drinking water The Company is engaged in Recycling of treated water and reuse for domestic purposes

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SDG 7: AFFORDABLE AND CLEAN ENERGY (P2, P6)

The Company is actively transitioning from fossil fuels to solar energy to address rising energy demands while continuously refining our processes to minimize the generation of disposable waste.

Further to the above, following initiatives has been adopted-

- Installation of light sensors, switch to usage of LEDs
- Reduction in carbon footprint through substituting electricity purchase with solar energy & bio fuels for increased energy requirements.
- Diversion of Hazardous waste for processing for reuse as alternate fuel
- Energy reduction by Installation of VFD's (variable frequency device) such as centrifuges, vacuum pumps, Effluent treatment plant by enabling electric motors to operate at low speed

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION (P2, P6, P9)

The Company has implemented a sustainability procurement policy to incentivize their suppliers and vendors to take into account social and environmental considerations. Corporate Social Responsibility (CSR) audits are carried out to evaluate vendors on their environmental, health, and safety practices, along with providing training and fostering competency development.

The Company also has in place Supplier Code of Conduct with the aim of outlining expected standards and behaviors for our suppliers.

The Company's Ambernath unit has obtained World Health Organizations' Good manufacturing practice (WHO-GMP) certification valid up to May 2026

The Company continuously optimize its processes to minimize disposable waste. The Company has reduced the production of Hazardous waste by 26.96% compared previous year

The Company is proactively adopting a green approach such as reduction of solvent usage, eliminating unit operations, recovering unspent raw materials, reducing the quantity of raw materials used, and minimizing effluent generation to make API manufacturing environmentally sound

The Company is committed to safe management of the products by responsibly disclosing information during product labelling. Customers are provided with all relevant product information like product composition, dosage instructions, storage, safety, cautionary notes, etc.

The Company is working on several R&D programmes with emphasis on sustainable design philosophy, starting from raw material selection to formulation development and manufacturing.

SDG 13: CLIMATE ACTION (P2, P6, P7, P8)

The Company's Mahad unit is ISO 14001:2015 certified. The ISO specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. The Company obtained the certificate in 2022.

Going green is a step taken towards sustainable development. The Company is proactively adopting a green approach such as reduction of solvent usage, eliminating unit operations, recovering unspent raw materials, reducing the quantity of raw materials used, and minimizing effluent generation to make API manufacturing environmentally sound

Successfully completed EcoVadis sustainability assessment in 2022 & secured 63 score with silver medal for Mahad Plant

To reduce carbon emissions the Company is actively transitioning from fossil fuels to solar energy to address rising energy demands while continuously refining the processes to minimize the generation of disposable waste.

Following initiatives help in GHG emission reductions further –

- Installation of new glass line reactors
- Installation of light sensors, switch to usage of LEDs
- Reduction in carbon footprint through substituting electricity purchase with solar energy & bio fuels for increased energy requirements d. Strengthening of Solvent emission controls
- Diversion of Hazardous waste for processing for reuse as alternate fuel
- Installation of vent condensers installed to bulk solvents storage to control solvent emissions
- Energy reduction by Installation of VFD's(variable frequency device) such as centrifuges, vacuum pumps, Effluent treatment plant by enabling electric motors to operate at low speed

SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS (P1, P3, P5, P7, P8)

To ensure integrity, transparency, independence and accountability in dealing with all stakeholders, the Company has adopted various codes and policies to carry out business in an ethical manner. Some of these codes and policies are as follows:

- Code of Conduct for Directors and senior management
- Board Diversity Policy
- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives
- Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)
- Policy on Determination of Materiality for Disclosure
- Whistle Blower Policy
- Policy on Preservation and Archival of Documents
- Risk Management Policy
- Anti-Corruption Compliance Policy

Some of the certifications that the Company has received includes approvals from authorities like The United States Food and Drug Administration (USFDA), European Union Good Manufacturing Practice (EUGMP), Therapeutic Goods Administration (TGA), and Health Canada (Department of the Govt. of Canada responsible for National Health Policy) amongst others

SDG 17: PARTNERSHIPS FOR THE GOALS (P1, P7, P8)

The Company is associated with the following trade and industry chambers/ associations:

- Indian Merchant Chamber of Commerce (IMC)
- Pharmaceuticals Export Promotion Council of India (Pharmexcil)
- The Bombay Drug Manufacturers Association
- The Hyderabad-based Bulk Drug Manufacturing Association
- Indian Federation of Export Organizations
- Jawaharlal Nehru Pharma City Association
- The Mahad Manufacturer's Association (MMA)

By making financial contributions to NGOs like the Dev Loka Educational Trust and the Chirag Rural Development Foundation, the Company interacts with the community.

Abbreviations used

Sr. No.	Particulars
1.	ESG: Environmental, Social and Governance
2.	SDG: Sustainable Development Goals
3.	SASB: Sustainability Accounting Standards Board
4.	GRI: Global Reporting Initiative
5.	SEBI: Securities and Exchange Board of India
6.	BRSR: Business Responsibility & Sustainability Reporting
7.	ISSB : International Sustainability Standards Board
8.	IFRS : International Financial Reporting Standards

UNSDGs

Goal	Goal statement
Goal 1 : No Poverty	An aim to eradicate poverty in totality
Goal 2 : Zero Hunger	Eliminate starvation and deprivation; set foot towards nutritional health and promote viable
Goal 3 : Good Health & Well Being	Promotes a better and a healthy lifestyle along with well being GRI: Global Reporting Initiative
Goal 4 : Quality Education	Goal to achieve quality learning, that is open to everyone so that they can have a better future
Goal 5 : Gender Equality	Ensures no bar with respect to gender and focuses upon women/girl empowerment

UNSDGs	
Goal	**Goal statement**
Goal 6 : Clean Water & Sanitation	Validates water availability in all areas along with sanitation and utmost cleanliness
Goal 7 : Affordable & Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all
Goal 8 : Decent Work & Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Goal 9 : Industry, Innova-tion and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
Goal 10 : Reduced Inequal-ity	Reduce inequality within and among countries
Goal 11 : Sustainable Cities & Communities	Make cities and human settlements inclusive, safe, resilient and sustain-able
Goal 12 : Responsible Con-sumption & Production	Ensure sustainable consumption and production patterns
Goal 13 : Climate Action	Take urgent action to combat climate change and its impacts
Goal 14 : Life below water	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
Goal 15 : Life on land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
Goal 16 : Peace & Justice Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and in-clusive institutions at all levels
Goal 17 : Partnerships to achieve the Goal	Strengthen the means of implementation and revitalize the global partnership for sustainable development

Board's Report

Dear Members,

The Board of Directors presents the Company's Thirty-Ninth Annual Report along with the Company's Audited Financial Statements for the financial year ended March 31, 2024.

1. Financial Summary

The summarized financial performance (Standalone and Consolidated) of your Company for Financial year 2023-24 and Financial year 2022-23 is given below:

(₹ in millions)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	1,685.18	2,226.85	13,697.31	14,209.09
Other Income	459.80	282.42	109.57	63.9
Profit/ (Loss) before interest, depreciation and tax	193.16	18.82	723.71	183.45
Less: Finance costs	43.61	25.13	480.86	355.17
Less: Depreciation and amortisation expenses	89.40	91.95	615.40	556.93*
Profit/(Loss) before exceptional items and tax	60.15	(97.46)	(372.55)	(728.65)*
Exceptional items	(62.54)	-	(173.91)	(647.93)
Profit/(Loss) before tax (after exceptional items)	(2.39)	(97.46)	(546.46)	(1,376.58)*
Tax expense / (Credit) - Current Tax	-	0.2	144.83	78.39
- Deferred tax	(13.20)	(30.94)	(389.82)	(231.96)*
- Current tax of prior period (reversed)/ provided	4.59	(5.92)	(5.34)	(3.24)
Profit/(Loss) after tax	6.22	(60.80)	(296.13)	(1,219.77)*
Net Profit for the year attributable to:				
Owners of the Company	6.22	(60.80)	(358.69)	(1,211.59)*
Non-controlling interest	-	-	62.56	(8.18)

* Figures are restated as per IND AS 103

2. Business Performance Review

During FY 2023-24 (FY24), on consolidated basis, your Company's revenues stood at ₹13,697.31 Million as against ₹ 14,209.09 Million in FY 2022-23 (FY 23). The Company posted loss after tax of ₹ (296.13) Million in FY24 as against loss after tax of ₹ (1,219.77) Million in FY23.

On a standalone basis, your Company's revenues for FY24 stood at ₹1,685.18 Million as against ₹2,226.85 Million in FY23. The Company posted a profit after tax of ₹6.22 Million in FY24 as against loss after tax of ₹ (60.80) Million in FY23.

Management's Discussion and Analysis Report, which forms part of the Board's Report, details the Company's operational and financial performance for the year under review.

Business Overview:

Formulations

- **Expanding Our Global Footprint:** We have extended our reach in Latin America by initiating sales with a new distributor in Peru and continuing registration efforts in Colombia, Chile, Ecuador, Panama, Paraguay, and Bolivia. This expands our reach and positions us for future growth in the region.
- **Strengthening Our Product Pipeline:** We are also committed to developing innovative new products. Our pipeline is getting more structured with new project on Companion Animal being added to our products, further enriching our product pipeline. Additionally, our strong portfolio of Business Development projects maturing in 2024, combined with our in-house product development capabilities, fuels our optimism for growth across Europe and all our Global Formulation regions.
- **Phytosolutions Line:** Our Phytosolution range, nutritional bio-actives based on essential oils for industrial markets in swine and poultry, has maintained its growing trend especially in markets where ALIVIRA has direct market access (Italy, Spain, Mexico and Brazil) though slightly below our expectations due to geo-political issues in Middle East. We are now entering FY25 with a reinforced team to structure better this activity especially on technical support for our customers.

API

- **New Product development:** Our newly launched products in the companion animal segment have garnered a favourable response from customers worldwide, indicating strong potential for future growth.
- **Market Expansion:** Strategic efforts to broaden our presence in key markets, such as Japan, have yielded successful outcomes, strengthening our global footprint.
- **Expanding portfolio with existing partner/customers:** We have signed master supply agreement (MSA) with key Animal Health global players and commercialization has started. The revenues are expected to grow on account of volume scale up and continued Business development efforts to expand portfolio with existing players and commercialization with new products.
- **WHO Approval:** Our Mahad site received WHO approval, paving the way for new business opportunities
- **Increased Cost Competitiveness:** We are enhancing our cost competitiveness in the price-sensitive emerging markets; to tackle the increasing cost competitiveness, we have implemented a systematic cost reduction programme for our top products. Our efforts have led to significant cost reductions in few of our overall products, along with a significant simplification of our supply chain.
- **Business with top Global Animal Health companies:** Our customers are among the Top Animal Health companies globally – we are leveraging this network to expand our offering to leading Animal health companies

3. Dividend

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent not to recommend any Dividend for the year under review.

In accordance with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), your Company has formulated a Dividend Distribution Policy which ensures a fair balance between rewarding its Shareholders and retaining enough capital for the Company's future growth. This Policy is available on the Company's website at http://www.sequent.in/pdf/policies/Sequent_Dividend_Distribution_Policy.pdf

4. Transfer to Reserves

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

5. Share Capital

As on March 31, 2024, the Authorized Share Capital of the Company was ₹80,00,00,000/- divided into 40,00,00,000 equity shares of ₹2/- each.

The issued, subscribed and paid-up equity share capital of the Company as on March 31, 2024, was ₹ 49,88,66,990/- divided into 24,94,33,495 equity shares of ₹2/- each.

6. Consolidated Financial Statements

In accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and the provisions of the Listing Regulations, the Consolidated Audited Financial Statements forms part of the Annual Report.

7. Subsidiaries, Joint Ventures and Associate Companies

As on March 31, 2024, your Company has 20 (Twenty) Subsidiaries, out of which 14 are Wholly Owned Subsidiaries and your Company does not have any Joint Ventures/ Associate Companies.

Following are the changes in subsidiaries during the financial year ended March 31, 2024:

Name of the Subsidiary	Country	Changes during the year
Comercial Vila Vetrinaria De Lleida	Spain	Merged/amalgamated with Vila Viña Participacion, S.L w.e.f. (June 16, 2023)
Alivira France S.A.S	France	Struck off w.e.f. (March 24, 2024)

8. Accounts of Subsidiaries

In accordance with Section 129(3) of the Companies Act, 2013 ('the Act') read with rules made thereunder, a statement providing details of performance and salient features of the Financial Statements of Subsidiaries is given in Form AOC-1 attached as "**Annexure 1**" forming part of this Report.

Further, in accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company, containing therein Audited Standalone and the Consolidated Financial Statements of the Company and the Audited Financial Statements of each of the Subsidiary Companies have been placed on the website of the Company at https://sequent.in

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at https://sequent.in/pdf/policies/Sequent_Policy%20on%20Determination%20of%20Material%20Subsidiaries_2019.pdf

9. Annual Return

The draft Annual Return of the Company for FY24, is available on the Company's website and can be accessed at https://sequent.in/investor-relations.aspx

10. Credit Rating

As on the date of this Report, the credit rating assigned by India Ratings & Research (Fitch Group) is "IND A" with outlook being "Negative" " (revised from "IND A+" with outlook being "Stable") for long-term bank facilities of the Company. The said ratings signify a high degree of safety regarding the timely servicing of financial obligations.

Further, India Ratings & Research (Fitch Group) assigned the rating as "IND A1" (revised from IND A1+) for the Company's short-term bank facilities, which signifies strong safety regarding timely payment of financial obligations and carry the lowest credit risk.

11. Public Deposit

During the year under review, your Company has not accepted or renewed any public deposits in terms of Sections 73 and 74 of the Act read with rules framed thereunder.

12. Directors & Key Managerial Personnel

As on March 31, 2024, the Board comprises of 9 (Nine) Directors out of which 2 (Two) Directors are Executive, 3 (Three) Directors are Non-Executive Independent including one Woman Director and 4 (Four) Directors are Non- Executive Non-Independent. All Directors are competent and experienced personalities in their respective fields. The Board is chaired by Dr. Kamal Sharma, Independent Director of the Company.

The following changes took place in the Board of Directors of the Company during the year:

- Dr. Hari Babu Bodepudi (DIN: 01119678) was appointed as Additional Director (Non-Executive Non-Independent) of the Company in the Annual General Meeting. The members of the Company approved the said appointment vide an Ordinary Resolution w.e.f. 7th August, 2023.
- Mr. Gregory Andrews (DIN: 08904518) was appointed as a Director (retiring by rotation) of the Company in the Annual General Meeting. The members of the Company approved the said appointment vide an Ordinary Resolution w.e.f. 30th August, 2023.
- Mr. P.V. Raghvendra Rao, Chief Financial Officer of the Company resigned w.e.f. October 25, 2024 and Mr. Saurav Bhala was appointed as the Chief Financial Officer of the Company w.e.f. November 6, 2024.
- Mr. Krunal Shah, Company Secretary of the Company resigned w.e.f. February 15, 2024 and Mr. Phillip Trott who was with the Company as AVP-Legal, Secretarial & Compliance was designated as Company Secretary of the Company w.e.f. February 16, 2024.

The Company has received declarations from all the Independent Directors of the Company confirming that:

- they meet the criteria of independence prescribed under the Act and the Listing Regulations; and
- they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

13. Board Evaluation-

Pursuant to provisions of Schedule IV of the Act and rules made thereunder and provisions of Listing Regulations, the Company had formulated a policy called 'SeQuent Board Performance Evaluation Policy' (the 'Policy') for performance evaluation of the Board, its Committees, Chairperson of the Board, and other individual Directors (including Independent Directors). Based on the criteria mentioned in the Policy, your Company has prepared a questionnaire to carry out the performance evaluation of the Board, its Committees, Chairperson of the Board, and other individual Directors (including Independent Directors) on an annual basis. The questionnaire is structured to embed various parameters based on which the performance can be evaluated. Based on these criteria, the Nomination and Remuneration Committee (hereinafter referred to as "NRC") and the Board carried out annual performance evaluation of the Board, its Committees, Chairperson of the Board, and Individual Directors (including Independent Directors). The Independent Directors carried out annual performance evaluation of the Chairperson of the Board, the Non-independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties. The results of the performance evaluation were sent to the Chairman of the Board.

14. Meetings of The Board

During the year under review, 6 (Six) Board Meetings were held on May 23, 2023, August 10, 2023, September 14, 2023, November 06, 2023, February 05, 2024, and February 13, 2024. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report for the financial year ended March 31, 2024, forming an integral part of this Annual Report.

15. Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

Pursuant to Section 178 of the Act, NRC has formulated "SeQuent's Policy on Director's Appointment and Remuneration" which deals inter-alia with appointment and remuneration of Directors, Key Managerial Personnel, and Senior Management of the Company. The said policy is uploaded on the website of the Company and can be accessed at http://www.sequent.in/pdf/policies/Nomination-Remuneration-Policy_2019.pdf

The salient features of the policy are as under:

- NRC to identify people who are qualified to become Directors, Key Managerial Personnel and Senior Management Personnel of the Company.
- NRC to guide the Board in relation to the appointment, retention and removal of Directors, Key Managerial Personnel and Senior Management Personnel of the Company.
- NRC to evaluate the performance of the Members of the Board including Independent Directors to provide necessary information/ report to the Board for further evaluation.
- NRC to recommend to the Board remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel of the Company.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial person and create competitive advantage.
- To devise a policy on Board diversity.
- To develop a succession plan for the Directors, Key Managerial Personnel and Senior Management Personnel of the Company and to regularly review the plan.

16. Committees of The Board

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Ethics and Governance Committee

The details of the Committees along with their composition, number and dates of the Meetings and attendance at the Meetings are provided in the Corporate Governance Report for the financial year ended March 31, 2024, forming integral part of this Annual Report.

17. Auditors and Auditors Report

Statutory Auditors

In accordance with the provisions of Section 139 of the Act, at the Annual General Meeting held on August 29, 2019, M/s. SRBC & CO LLP, Chartered Accountants (Firm Registration No. 324982E/ E300003) were appointed as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of 34th Annual General Meeting (AGM) till the conclusion of 39th AGM.

The Independent Auditors' Report on Standalone and Consolidated Financial Statements for the year ended March 31, 2024, forms integral part of the Annual report and does not contain any qualifications, reservations, adverse remarks, disclaimer or emphasis of matter.

The Statutory Auditors of the Company have not reported any fraud under Section 143(12) of the Act.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, read with rules thereunder, the Board has appointed M/s. Nilesh Shah & Associates, Practicing Company Secretary (Certificate of Practice No: 2631) to conduct Secretarial Audit of the Company for the year ended March 31, 2024, and its unlisted material subsidiary, Alivira Animal Health Limited (Alivira).

The Secretarial Audit Report issued in Form No. MR-3 as an **"Annexure 2A"** and Alivira is attached **"Annexure 2B"** respectively to this Board's Report.

The Secretarial Audit Report of the Company and Alivira does not contain any qualification, Reservation or adverse remark except for the Company's non-filing of 3 e-forms and Alivira's non filing of 2 e-forms with the Registrar of Companies during the FY 2023-24. The Company and Alivira on the date of this Report, has complied and filed the said e-forms with the Registrar of Companies.

Cost Auditors

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

Pursuant to Section 148(3) of the Act read with Companies (Cost Records and Audit) Rules, 2014, M/s. Kirit Mehta & Co, Practicing Cost Accountants, were appointed as the Cost Auditors of the Company for the financial year 2023-24 for conducting the audit of cost records of products and services of the Company. The Cost Audit Report for the financial year ended March 31, 2024, would be filed within the due date prescribed by law.

18. Segment

The Company operates only in a single segment, i.e. the Pharmaceuticals Segment.

19. Particulars of Employees and Related Disclosures

The statement containing particulars of employees as required to be disclosed under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as an **'Annexure 3'** forming part of this report except the report as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In terms of Section 136 of the Act, the said report is open for inspection at the Registered Office of the Company during working hours and any Member interested in obtaining a copy of the same may write to the Company Secretary at investorrelations@sequent.in.

20. Vigil Mechanism / Whistle Blower Policy

Pursuant to provisions of Section 177(9) of the Act and the Listing Regulations, the Company has established Vigil Mechanism and a Whistle Blower Policy, for the directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. It also provides adequate safeguards against the victimization of employees who avail this mechanism and none of the employees or directors have been denied access to the Audit Committee.

The Whistle blower policy can be accessed at https://sequent.in/pdf/policies/Whistle%20Blower%20Policy.pdf

21. Particulars of Loans Given, Investments Made, Guarantees Given and Securities Provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in Note No.5, 6 and 45 to the Standalone Financial Statements in the Annual Report.

22. Related Party Transactions

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

There were no material contracts/arrangements/transactions entered with related parties as required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014.

The Company has the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions in line with the Listing Regulations and the same can be accessed at https://sequent.in/pdf/policies/Amended%20Policy%20on%20Related%20Party%20Transactions.pdf

Further, there were no materially significant related party transactions which could have potential conflict with the interests of the Company at large.

Members may refer to Note No. 45 to the Standalone Financial Statements which sets out related party disclosures pursuant to Ind AS.

23. Corporate Social Responsibility

The Corporate Social Responsibility Committee comprises of Dr. Kamal Sharma, Independent Director, Mr. Rajaram Narayanan, Managing Director and Chief Executive Officer and Mr. Sharat Narasapur, Joint Managing Director as its Members. Your Company has a policy on CSR and the same can be accessed at https://sequent.in/pdf/policies/CSR%20Policy.pdf

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **'Annexure 4'** forming part of this report.

24. Internal Financial Controls

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested by Internal Auditors of the Company Grant Thornton Bharat LLP independently and no reportable material weakness in the design or operations was observed.

Internal Financial Controls have been designed to provide reasonable assurance with regards to the recording and providing reliable financial and operational information complying with applicable Accounting Standards.

Your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015

25. Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (3)(c) and 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- Such accounting policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2024 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual financial statements for the year ended March 31, 2024, have been prepared on a going concern basis;
- Internal financial controls to be followed by the Company have been laid down and that the said financial controls were adequate and were operating effectively;
- Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

26. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings/ Outgo and Expenditure on Research & Development

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as '**Annexure 5**' forming part of this report.

27. Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has constituted Internal Complaint Committee(s) (ICC) at various locations to redress and resolve any complaints arising under the POSH Act. Training/awareness programs are conducted throughout the year to create sensitivity towards ensuring a respectable workplace.

During the quarter ended December 31, 2023, one complaint pertaining to sexual harassment was received and as on date of this Report the same has been closed.

28. Corporate Governance Report

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of Corporate Governance. The report on Corporate Governance along with a certificate issued by M/s. Nilesh Shah & Associates, Practicing Company Secretaries and Secretarial Auditors of the Company, confirming compliance of Corporate Governance for the year ended March 31, 2024, forms integral part of this Annual Report.

29. Business Responsibility and Sustainability Reporting (BRSR)

As stipulated under the Listing Regulations, the Business Responsibility and Sustainability Reporting (BRSR) describing the initiatives taken by the Company from an Environmental, Social and Governance perspective forms an integral part of this Annual Report. BRSR is also available on the Company's website and can be accessed at www.sequent.in.

30. Management Discussion and Analysis

Pursuant to Regulation 34 of the Listing Regulations, Management Discussion and Analysis containing Information inter-alia on industry trends, your Company's performance, outlook, opportunities, and threats for the year ended March 31, 2024, forms integral part of this Annual Report.

31. Risk Management

Your Company has a risk management framework for identifying and managing risks. Additional details are provided in the 'Management Discussion and Analysis' Report provided in a separate section forming an integral part of this Annual Report.

The constitution of the Committee and details of the meeting held are disclosed in the Corporate Governance Report for the financial year ended March 31, 2024, forming an integral part of this Annual Report.

32. Secretarial Standards

During the year under review, your Company has followed the applicable Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India, relating to 'Meetings of Board of Directors' and 'General Meetings' respectively.

33. Material Changes and Commitments Affecting the Financial Position of the Company

There are no material changes or commitments affecting the financial position of your Company during the financial year 2023-24. Between the end of the financial year 2023-24 and the date of this report, Sequent Scientific Limited has pledged the entire shares of its wholly owned subsidiaries Alivira Animal Health Limited, India and Alivira Animal Health Limited, Ireland in favour of Barclays Bank PLC as security towards the financial facilities availed by Alivira Animal Health Limited, India and Alivira Animal Health Limited, Ireland for the debt restructuring process.

34. Significant and Material Orders Passed by the Regulators or Courts or Tribunals

There are no significant and material orders passed by the Regulators, Courts or Tribunals during the year under review which would impact the going concern status of your Company and its future operations.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and there was no instance of onetime settlement with any Bank or Financial Institution.

35. Employee Stock Option Scheme

Your Company currently has 2 (Two) ESOP Schemes as under:

- SeQuent Scientific Employee Stock Option Plan 2010 and
- SeQuent Scientific Limited Employees Stock Option Plan 2020

The details as required to be disclosed under Section 62 of the Act read with Rule 1 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBS Regulations) are given in '**Annexure 6**' forming part of this report.

Both the above schemes are in compliance with applicable regulations and a certificate from M/s. Nilesh Shah & Associates., Practicing Company Secretaries and Secretarial Auditor of the Company, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be placed at the ensuing AGM for inspection by the Members and confirming that the scheme(s) has been implemented in accordance with the SEBI (SBEBS) Regulations.

36. Transfer of Equity Shares of the Company to the Investor Education and Protection Fund (IEPF) Account

During the year under review, there were no amounts which were required to be transferred to the IEPF account by the Company pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules, 2016.

37. Acknowledgement

Your directors place on records their sincere gratitude and appreciation for the employees at all levels for their staunch dedication and highly motivated performance across the globe, which contributed greatly to the performance of the Company.

Your directors would like to sincerely thank all the stakeholders, medical professionals, business partners, customers, vendors, stock exchanges, Government & Regulatory Authorities, banks, financial institutions, analysts and shareholders for their continued assistance, co-operation, and support.

For and on Behalf of the Board of Directors
Sequent Scientific Limited

Dr. Kamal Sharma
Chairman

Place: Thane
Date: May 15,2024

Annexure 1

Form AOC 1

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures)

(₹ in million)

Sl No.	Name of the Subsidiary	The date since when subsidiary was acquired/ incorporated	Country of incorporation	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Exchange Rate as on last date of the relevant Financial year in the case of foreign subsidiari es	Share Capital (Includes Monies pending allotment)	Reserves & Surplus	Total Assets	Total liabilities	Invest ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% Share holding
1	SeQuent Scientific Limited		India	NA	INR	1	498.86	10,373.42	11,875.96	1,003.68	6,404.10	1,685.18	(2.39)	(8.61)	6.10	0	100.00%
2	Alivira Animal Health Limited, India	September 30, 2013	India	NA	INR	1	477.76	4286.51	11,326.59	6562.32	5,525.00	3,784.20	(755.61)	(255.63)	(499.26)	0	100.00%
3	SeQuent Research Limited	April 13, 2007	India	NA	INR	1	44.1	19.55	258.08	194.43	28.57	88.16	(17.07)	(4.21)	(13.59)	0	100.00%
4	Alivira Animal Health Limited, Ireland	September 1, 2014	Ireland	NA	USD	83.37	1602.72	1899.22	5898.25	2396.31	3600.46	284.83	-898.23	0	-898.23	0	100.00%
5	Provet Veteriner Ürünleri San. Ve Tic. A. Ş.	September 9, 2014	Turkey	NA	TRY	2.56	13.01	171.91	1020.6	835.68	54.58	1030.32	-309.52	-68.15	-241.37	0	100.00%
6	Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.	December 11, 2015	Turkey	NA	TRY	2.56	6.5	102.61	486.92	377.8	0	757.58	-235.87	-27.63	-208.24	0	100.00%
7	Fendigo SA	December 3, 2015	Belgium	NA	Euro	90.22	13.98	287.77	484.28	182.53	0	1250.72	148.57	38.7	109.87	0	100.00%
8	Fendigo BV	December 3, 2015	Netherland	NA	Euro	90.22	2.71	21.88	34.92	10.34	0	104.5	51.39	12.07	39.33	0	100.00%
9	N-Vet AB	December 3, 2015	Sweden	NA	SEK	7.82	4.69	43.61	96.65	48.35	0	166.2	-12.99	3.02	-16.01	0	96.10%
10	Alviria Saude Animal Brasil Participacoes Ltda	June 10, 2016	Brazil	NA	BRL	16.62	16.33	-143.71	833.2	960.57	793.64	0	56.04	0	56.04	0	100.00%
11	Alivira Saude Animal Ltda, Brazil (formerly known as Evance Saude Animal Ltda.)	August 1, 2016	Brazil	NA	BRL	16.62	216.37	-399.36	842.32	1025.31	0	1685.2	27.71	-29.87	57.58	0	100.00%
12	Evanvet Distribuidora De Produtos Veterinarios Ltda (Formerly known as Evanc	December 26, 2018	Brazil	NA	BRL	16.62	0.58	198.56	443.45	244.31	0	971.1	199.09	28.31	170.79	0	100.00%
13	Vila Viña Participacions S.L.	July 1, 2016	Spain	NA	EURO	90.22	192.3	292.6	494.68	9.78	376.58	74.67	-2.53	-0.53	-2	0	60.00%
14	Laboratorios Karizoo, S.A.	July 1, 2016	Spain	NA	EURO	90.22	32.18	892.18	2520.62	1596.25	21.37	3643.33	139.64	40.67	98.96	0	60.00%
15	Laboratorios Karizoo, S.A. DE C.V. (Mexico)	July 1, 2016	Mexico	NA	PESO	5.03	30.72	75.66	203.89	97.51	0	394.42	33.5	12.57	20.93	0	60.00%

(₹ in million)

Sl No.	Name of the Subsidiary	The date since when subsidiary was acquired/ incorporated	Country of incorporation	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Exchange Rate as on last date of the relevant Financial year in the case of foreign subsidiari es	Share Capital (Includes Monies pending allotment)	Reserves & Surplus	Total Assets	Total liabilities	Invest ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% Share holding
16	Phytotherapic Solutions S.L	July 1, 2016	Spain	NA	EURO	90.22	2.71	271.76	321.17	46.7	0	281.14	72.95	17.67	55.29	0	60.00%
17	Bremer Pharma GmbH	April 17, 2018	Germany	NA	EURO	90.22	65.86	-1051.41	100.69	1086.24	0	198.89	-18.24	0	-18.24	0	100.00%
18	Alivira France S.A.S.	February 02, 2018	France	NA	EURO	90.22	135.33	(152.23)	-	16.90	-	-	-	-	-	-	75.00
19	Alivira Italia S.R.L.	January 21, 2019	Italy	NA	EURO	90.22	9.02	-25.89	107.16	124.02	0	141.25	-0.19	0	-0.19	0	100.00%
20	Alivira Animal Health USA LLC	March 30, 2020	USA	NA	USD	83.37	123.6	-125.86	3.77	6.03	0	0	-44.36	0	-44.36	0	100.00%
21	Alivira Animal Health UK Ltd	April 29, 2020	United Kingdom	NA	GBP	105.29	1.59	-3.38	0.79	2.59	0	0	-1.81	0	-1.81	0	100.00%

Form AOC 1

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures)

PART A - SUBSIDIARIES

Information relating to Subsidiaries of the Company as at March 31, 2024

(₹ in million)

Name of the Subsidiary	The date since when subsidiary was acquired/ incorporated	Country of incorporation	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Exchange Rate as on last date of the relevant Financial year in the case of foreign subsidiaries	a Share Capital (Includes Monies pending allotment)	b Reserves & Surplus	c Total Assets	d Total liabilities	e Invest ments	f Turnover	g Profit before taxation	h Provision for taxation	i Profit after taxation	j Proposed dividend	k % Share holding
Alivira Animal Health Limited, Ireland	September 1, 2014	Ireland	NA	USD	83.37	1,602.72	1,899.22	5,898.25	2,396.31	3,600.46	284.83	(898.23)	-	(898.23)	-	100.00%
Provet Veteriner Ürünleri San. Ve Tic. A. Ş.	September 9, 2014	Turkey	NA	TRY	2.56	13.01	171.91	1,020.60	835.68	54.58	1,030.32	(309.52)	(68.15)	(241.37)	-	100.00%
Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.	December 11, 2015	Turkey	NA	TRY	2.56	6.50	102.61	486.92	377.80	#REF!	757.58	(235.87)	(27.63)	(208.24)	-	100.00%
Fendigo SA	December 3, 2015	Belgium	NA	Euro	90.22	13.98	287.77	484.28	182.53	-	1,250.72	148.57	38.70	109.87	-	100.00%
Fendigo BV	December 3, 2015	Netherland	NA	Euro	90.22	2.71	21.88	34.92	10.34	-	104.50	51.39	12.07	39.33	-	100.00%
N-Vet AB	December 3, 2015	Sweden	NA	SEK	7.82	4.69	43.61	96.65	48.35	-	166.2	-12.99	3.02	-16.01	-	96.10%
"Alviria Saude Animal Brasil Participacoes Ltda"	June 10, 2016	Brazil	NA	BRL	16.62	16.33	(143.71)	833.20	960.57	793.64	-	56.04	-	56.04	-	100.00%
Alivira Saude Animal Ltda. (formerly known as Evance Saude Animal Ltda. and Interchange Veterinária Indústria E Comércio Ltda.)	August 1, 2016	Brazil	NA	BRL	16.62	216.37	(399.36)	842.32	1,025.31	-	1,685.20	27.71	(29.87)	57.58	-	100.00%
Evanvet Distribuidora De Produtos Veterinarios Ltda (Formerly known as Evance Saude Animal Ltda.)	December 26, 2018	Brazil	NA	BRL	16.62	0.58	198.56	443.45	244.31	-	971.10	199.09	28.31	170.79	-	100.00%
Vila Viña Participacions S.L.	July 1, 2016	Spain	NA	EURO	90.22	192.30	292.60	494.68	9.78	376.58	74.67	(2.53)	(0.53)	(2.00)	-	60.00%

(₹ in million)

Name of the Subsidiary	The date since when subsidiary was acquired/ incorporated	Country of incorporation	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Exchange Rate as on last date of the relevant Financial year in the case of foreign subsidiaries	a	b	c	d	e	f	g	h	i	j	k
						Share Capital (Includes Monies pending allotment)	Reserves & Surplus	Total Assets	Total liabilities	Invest ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% Share holding
Laboratorios Karizoo, S.A.	July 1, 2016	Spain	NA	EURO	90.22	32.18	892.18	2,520.62	1,596.25	21.37	3,643.33	139.64	40.67	98.96	-	60.00%
Laboratorios Karizoo, S.A. DE C.V. (Mexico)	July 1, 2016	Mexico	NA	PESO	5.03	30.72	75.66	203.89	97.51	-	394.42	33.50	12.57	20.93	-	60.00%
Phytotherapic Solutions S.L	July 1, 2016	Spain	NA	EURO	90.22	2.71	271.76	321.17	46.70	-	281.14	72.95	17.67	55.29	-	60.00%
Bremer Pharma GmbH	April 17, 2018	Germany	NA	EURO	90.22	65.86	(1,051.41)	100.69	1,086.24	-	198.89	(18.24)	-	(18.24)	-	100.00%
Alivira Italia S.R.L.	January 21, 2019	Italy	NA	EURO	90.22	9.02	(25.89)	107.16	124.02	-	141.25	(0.19)	-	(0.19)	-	100.00%
Alivira Animal Health USA LLC	March 30, 2020	USA	NA	USD	83.37	123.60	(125.8600)	3.7700	6.0300	-	-	(44.3600)	-	(44.3600)	-	100.00%
Alivira Animal Health UK Ltd	April 29, 2020	United Kingdom	NA	GBP	105.29	1.59	(3.38)	0.79	2.59	-	-	(1.81)	-	(1.81)	-	100.00%

Names of subsidiaries which are yet to commence operations: Alivira Animal Health UK Ltd
Names of subsidiaries which have been struck off from register of Registrar of Companies: Nil
Change in name of subsidiaries: Nil
Name of Subsidiaries merged during the year:

PART B - Associates and Joint Ventures

The Company did not have any Associates and Joint Ventures as on March March 31, 2024

For and on behalf of the Board of Directors

Date: May 15, 2024 Place: Thane	**Rajaram Narayanan** Managing Director & Chief Executive Officer	**Vedprakash Ragate** Executive Director	**Saurav Bhala** Chief Financial Officer	**Nihar Ranjan Das** Company Secretary

Annexure 2A
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To
The Members,
Sequent Scientific Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No. 22,
Wagle Industrial Estate,
Thane west – 400 604.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **Sequent Scientific Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our Responsibility is to verify the content of the documents and returns produce before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2024, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;

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

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

   f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- g. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) Considering activities, the Company is also subject to compliance of the following laws specifically applicable to the Company:

- a. The Drugs & Cosmetics Act, 1940;
- b. The Drug (Price Control) Order, 2013;
- c. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made there under;
- d. The Narcotic Drugs and Psychotropic Substances Rules, 1985.

We have verified systems and mechanism which are in place and followed by the Company to ensure Compliance of these specifically applicable Laws as mentioned in (vi) above, in addition to the above mentioned Laws (i to v) applicable to the Company and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

We further Report that, during the year, either there was no event attracting the below mentioned provisions or it was not mandatory on the part of the Company to comply with the following Provisions, Regulations / Guidelines:

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (ii) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Based on the above said information provided by the Company, we report that during the financial year, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non-Compliance in respect of the same save and except :

- A. Non Filing of Form MGT 14 in respect of Board Resolution passed on 14.09.2023 for appointment of Internal Auditor;
- B. Non Filing of Form MGT 14 in respect of resolutions passed at Annual General Meeting conducted through Video Conferencing dated 30.08.2023 and
- C. Non Filing of Form MGT 14 in respect of special resolution passed through Postal Ballot on 20.10.2023.

We further report that:

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

We also report that adequate notice/s were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (unless agreed by members of the Board) and a reasonable system exists for Board Members seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were no specific event / action that can have a major bearing on the Company's affairs.

Signature:
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554 : C.P.: 2631

Date: 15.05.2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000377993

Note: This Report has to be read with "**Annexure - A**"

Annexure A to Annexure 2A

To,
The Members,
Sequent Scientific Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No. 22,
Wagle Industrial Estate,
Thane west – 400 604

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

Signature:
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554 : C.P.: 2631

Date: 15.05.2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000377993

Annexure 2B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To
The Members,
Alivira Animal Health Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No. 22,
Wagle Industrial Estate,
Thane West – 400 604

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **Alivira Animal Health Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our Responsibility is to verify the content of the documents and returns produce before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2024, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;

(iv) Considering activities, the Company is also subject to compliance of the following laws specifically applicable to the Company:

  a. The Drugs & Cosmetics Act, 1940;

  b. The Drug (Price Control) Order, 2013;

  c. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made there under;

  d. The Narcotic Drugs and Psychotropic Substances Rules, 1985.

We have verified systems and mechanism which are in place and followed by the Company to ensure Compliance of these specifically applicable Laws as mentioned in (iv) above, in addition to the above mentioned Laws (i to iii) and applicable to the Company and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

We further Report that, during the year, either there was no event attracting the below mentioned provisions or it was not mandatory on the part of the Company to comply with the following Provisions, Regulations / Guidelines:

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

(iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

(vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(viii) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018.

(ix) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

(x) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

Based on the above said information provided by the Company, we report that during the financial year, the Company has complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non-compliance in respect of the same except:

1) Filing of Form MGT 14 for appointment of internal auditor vide board resolution dated 14.09.2023,

2) Form MGT 14 for resolution passed by Banking Committee dated 26.06.2023 for availing credit facility.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the year under review.

We also report that adequate notice/s were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and short notice in case of urgency, and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were no specific event / action that can have a major bearing on the Company's affairs.

Signature:
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554 : C.P.: 2631

Date: May 14, 2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000369666

Note: This Report has to be read with "**Annexure - A**"

Annexure A to Annexure 2B

To
The Members,
Alivira Animal Health Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No. 22,
Wagle Industrial Estate,
Thane West – 400 604

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

Signature:
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554 : C.P.: 2631

Date: May 14, 2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000369666

Annexure 3

Details pursuant to Section 197 of the Companies Act, 2013 read with

Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ending March 31, 2024:

As on date of this Report, the Board comprises of 9 (Nine) Directors consisting of 2 (Two) Executive Directors, 3 (Three) Independent Directors and 4 (Four) Non-Executive Directors.

The Non-Executive/ Independent Directors receive a sitting fee of ₹ 0.1 Mn/- for attending each meeting of the Board and the Committees.

The ratio of remuneration of each Directors to the median remuneration of the employees of the Company for the financial year March 31, 2024:

Name of the Director/KMP	Ratio
Mr. Rajaram Narayanan Managing Director	120.20
Mr. Sharat Narasapur, Joint Managing Director	Refer Note 1
Mr. P V Raghavendra Rao Chief Financial Officer (Resigned w.e.f. October 25, 2023)	32.16
Mr. Saurav Bhala Chief Financial Officer (Appointed w.e.f. November 06, 2023)	25.13
Mr. Krunal Shah, Company Secretary (Resigned w.e.f. February 15, 2024)	7.20
Mr. Philip Trott, Company Secretary (Appointed w.e.f. February 16, 2024)	3.24

The median remuneration for the period under review is approximately INR 2,59,369.50/-.

B. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2024:

Sl. No	Particulars	% Increase
1.	Rajaram Narayanan Managing Director	5.9 %
2.	Mr. Sharat Narasapur Joint Managing Director (Resigned w.e.f. April 30, 2024)	Refer Note 1
3.	Mr. P V Raghavendra Rao Chief Financial Officer (Resigned w.e.f. October 25, 2023)	1.4 %
4.	Krunal Shah Company Secretary (resigned w.e.f. February 15, 2024)	3.5 %

C.	The percentage increase in the median remuneration of employees in the financial year ending March 31, 2024	23%
D.	The number of the permanent employees on the rolls of Company as on March 31, 2024	350

E.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase in salaries of employees (other than managerial personnel) was 5% and for managerial personnel was 10.4%.

Notes:

1. Mr. Sharat Narasapur did not draw any remuneration from the Company during the year under review. He is also a Joint Managing Director of Alivira Animal Health Limited, Wholly Owned Subsidiary of the Company and draws remuneration from Alivira Animal Health Limited.
2. The remuneration of Independent and Non-Executive Directors of the Company comprises of sitting fees for attending Board and Committee Meetings. Hence, calculation of percentage increase in remuneration is not applicable.
3. The expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one.
4. If there is an even number of observations, the median shall be the average of the two middle values.

We affirm that the remuneration paid during the year 2023-24 is as per the Remuneration Policy of the Company

For and on behalf of the Board of Directors

Dr. Kamal Sharma
Chairman

Place: Thane
Date: May 15, 2024

Annexure 4

ANNUAL REPORT ON CSR ACTIVITIES OF SEQUENT SCIENTIFIC LIMITED FOR FY 2023-24

1. Brief outline on CSR Policy of the Company:

The Company intends to aid in development and support of communities in the areas where it operates and to ensure that the projects that it take up address the concerns of the economically marginalized members of society.

Vision:

Your Company's long-term CSR Vision is "We aim to support the communities in the society so that we can make a positive, relevant and enduring impact through our CSR initiatives."

Mission:

To improve the quality of life of the communities where we operate through long term value creation in the areas of

- Quality infrastructure & Livelihood
- Rural Development

We can take up initiatives observing other areas as well.

2. Composition of CSR Committee:

The composition of the CSR Committee and the attendance of the members at CSR Committee meetings held during the year is as under:

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Kamal Sharma	Chairman & Independent Director	2	2
2.	Mr. Rajaram Narayanan	Managing Director & Chief Executive Officer	2	2
3.	Mr. Sharat Narasapur*	Member & Joint Managing Director	2	1

*Mr. Sharat Narasapur ceased to be a member of the Committee w.e.f. May 15, 2024 and Mr. Vedprakash Ragate, Director of the Company has been appointed as Member of the Committee w.e.f May 15, 2024

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee: https://www.sequent.in/bord-of-directors.aspx

CSR Policy: https://www.sequent.in/pdf/policies/CSR%20Policy.pdf

CSR Projects: https://sequent.in/csr.aspx

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

   Not Applicable for the financial year under review

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

   Not Applicable for the financial year under review

6. Average net profit of the company as per section 135(5): ₹ **143.23 Million**

7. (a) Two percent of average net profit of the of the company made during the three immediately preceding financial years as per section 135(5): ₹ **2.86 Million**

   (b) Surplus arising out of the CSR projects or programmed or activities of the previous financial years. **Nil**

   (c) Amount require to be set of for the financial year, if any: **Nil**

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **2.86 Million**

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

Total Amount Spent for the Financial Year. (in Million)	Amount Unspent (in Million.)*				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2.86	-	-	Not Applicable	Not Applicable	Not Applicable

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VIIto the Act.	Local area (Yes/ No).	Location of the project.		Project durati on.	Amount allocated for the project during FY 2022-23 (in Million.)	Amount spent in the current financial Year (in Million.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Million.)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
HEALTH & HYGIENE												
1	Development Activities New RO Plant – YSR Layout, Tikkavanipalem Construction of Kitchen - MPP School - Tikkavanipalem Construction of Washrooms - Z.P High School, Parawada	promoting health care including sanitation	Yes	Vishakh-apatnam	Parawada	1 Year	1.92	1.92	Nil	Yes	N.A.	N.A.
2	Parawada Police Station Breath Analyser (Alcohol Tester) - 10	promoting health care	Yes	Vishakh-apatnam	Parawada	1 Year	0.35	0.35	Nil	Yes	N.A.	N.A.
3	Donation of Blood Bags to Kai Wamanrao Oka Blood Centre 350 ml Double Blood bags – 2040 bags	promoting health care	Yes	Maharashtra	Thane	1 Year	0.40	0.40	Nil	Yes	N.A.	N.A.
	Sub Total	-	-	-	-	-	**2.67**	**2.67**	-	-	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	**Name of the Project.**	**Item from the list of activities in Schedule VIIto the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Project durati on.**	**Amount allocated for the project during FY 2022-23 (in Million.)**	**Amount spent in the current financial Year (in Million.)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Million.)**	**Mode of Implementation - Direct (Yes/ No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
	Education											
4	ZP-High school-Parawada/MPP School - Tikkavanipalem Computers (DeskTop) = ₹ 50,000/- X 3 = ₹1,50,000/- Office Table = ₹ 6,600/- X 3= ₹19,800/- (03Table)	Promoting Education	Yes	Vishakh-apatnam	Parawada	1 Year	0.19	0.19	Nil	Yes	N.A.	N.A.
5	Parawada Police Station	Promoting safety	Yes	Vishakh-apatnam	Parawad a	1 year	0.35	0.35				
6	Pradhan Mantri TB Mukt Bharat Abhiyan	Providing food	Yes	Vishakh-apatnam	Vijayana garam	1 year						
Sub Total		-	-	-	-	-	**0.19**	**0.19**	-	-	-	-
Total		-	-	-	-	-	**2.86**	**2.86**	-	-	-	-

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **2.86 million**

(g) Excess amount for set off, if any: **Not Applicable**

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Million)	Amount spent in the Financial Year (in Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the fund	Amount	Date of transfer	
1.	2023-24	NIL	NIL	NIL	NIL	NIL	NIL
2.	2022-23	NIL	1.56	NIL	NIL	NIL	NIL
3.	2021-22	1.56	0.97	N.A.	N.A.	N.A.	1.56
4.	2020-21	0.97	Nil	N.A.	N.A.	N.A.	0.97
	Total						

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

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

    (a) Date of creation or acquisition of the capital asset(s). **Not Applicable**

    (b) Amount of CSR spent for creation or acquisition of capital asset. **Not Applicable**

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not Applicable**

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

For and on behalf of the Board of Directors

Place: Thane
Date: May 15, 2024

Dr. Kamal Sharma,
Independent Director and
Chairman of CSR Committee
DIN: 00209430

Rajaram Narayanan,
Managing Director & Chief
Executive Officer
DIN: 02977405

ANNEXURE 5

The particulars on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings/ Outgo and Research & Development as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014.

(A) Conservation of energy and Technology Absorption

Going green is a step taken towards sustainable development. We are proactively taking the green approach to make API manufacturing environmentally sound.

Our efforts to make our processes Green are focused on reduction of solvent usage, eliminating unit operations, recovery of unspent raw material, reducing quantity of raw material used and reduction in effluent generated.

A cross-functional team approach, with participation from R&D, Technical Support Division and Production has demonstrated encouraging results. We reckon that these approaches are not straightforward, they are complex, yet we undertake it for a positive impact on the environment.

(i) Steps taken or impact on conservation of energy

Mahad

Steps taken

Energy Saving

- Installation of solar system of 73.6 KW and utilisation of power generated form the solar system. Project commissioned on July 2023. Total Energy generated through Solar from July 2023 to March 2024: - 45040 KWH.
- 4 Nos. Cooling tower fan controlled through temperature sensor and controller with temp 28 degree Celsius to start.
- Boiler steam Condensate recovery approx. 10 KL/d. (SRU, ATFD,P-2,P-3)

Water Saving

- 2-3 KL ETP treated water reusing for Admin casual Toilets for flushing urinal and commodes. (Water Savings approx. 700 M3/year)
- 10-12 KL PWS reject water reuse for utility cooling tower as make up water (Water savings approx. 3000 M3/year)
- Collection of warehouse and boiler roof rain water to use for boiler as feed water in rainy season

Other initiatives

- **Process time reduction:** Hot water generation through heat exchanger for Plant1 ANF-102. Earlier system of ANF washing required 10 hrs approx. with hot water which is generated in 500 lit receiver and steam as heating media in jacket, Now the hot water generated through 10 SQM horizontal heat exchanger which is continuous system and at approx. 60 deg centi. where the process time save 6 hrs for each batch.
- **Reduction of Solvent Vapor:** - Installed 2 SQM heat exchanger to Hexane storage PESO tank vent line with chilled water as utility. Which condense the vapours and get back to storage tank. Same is u/installation for new PESO tanks.
- Solid Crude Diamine melted with steam water bath, process optimized & now received crude diamine in slurry form.

Vizag

Waste:

- Usage of Waste as supplemental fuel to cement kiln: 175.88 Tonn/Annum
- Reuse of waste: 409 Tonn/Annum Coal ash generated and converted to bricks.

Water:

- Reduction of Water Consumption by 614 KL (0.9%) by strengthening process, purified RO reject reuse into cooling towers.
- Reduction of 6 kl/day (2190 kl/year) of RO reject water recycle back into the cooling tower which is about 2-4% of total water consumption of colling towers.

Diesel:

- Diesel consumption was reduced by 24576 kg compared to previous year, reduction by 16.4%.

Refrigerant gases:

- Reduction of 551 kg refrigerant consumption FY2023-24 compared to 2022-23. Reduction by 52.9%
- The initiatives taken are arresting leakages, reducing breakdowns, increasing preventive maintenance.
- And also, optimization of operation of compressors with respect to monitoring of production operation and idle running hours of compressors
- Solvent Emission Control:
  - ➢ Installed process scrubber in PB2 to address emissions
  - ➢ Designed and installed acid scrubber in PB-1 with higher capacity for effective operation of scrubber performance to address emissions

Energy reduction initiatives:

- Installation of temperature sensors to cooling towers (Utility process C/T, brine C/T, and SRU C/T)
- Temperature set point is installed in AHUs at 24-25℃ degree instead 19-20 degree to reduce energy load
- CWP-4401, Chilling plant temp. setting between 7-10℃ degree and there by saving of 15264 units.
- +5C chilling plant used for PB-1(Module3 and pilot plant) in coordination and stopping for 2 hours/day at 8 degrees and restarting at 10 degrees , with this saved of total 14,260 units based on production demand.(in one month-Jan,24)
- VFD (Variable frequency device) installed for 2nd chilling plant, there by reduction by 5% of energy conservation. Installation of cooling tower fans by hollow type and reduction of 200 units/day
- Time and temperature setting with cooling tower fan shut off, there by saving of energy, including monitoring of production schedules and optimization of chilling plant compressors operation by switching off -18C compressor to -11C(primary and secondary)
- CBP-4401 Brine plant operation regulated as per production demand by adjusting -16C and - 11C compressors there by saving 10230 units in ONE MONTH(jan,24)
- Also by adjusting time and temperature setting of Split AC's temp's at non-operating hours at Admin and canteen areas and there by energy saving due to auto switch off of AC's during non-man moment hours.
- Optimization of running hours of air compressors used for micronization by monitoring on non- peak load hours and there by saved of 10800 units in ONE month (Dec,23)
- Coordination and switching Off of Instrument air compressor for production block2 equipments and there by reduction of 2790 units (in ONE month, Jan,24)

Coal:

- By arresting steam leakages and recycle of condensate water back into boiler, coal consumption reduced to 214.5 T/annum from previous year by 6.0%

(ii) Capital investment on energy conservation equipment

Vizag:

- 2 reactors installed at solvent recovery plant for recovery of solvent(xylene) Acetic acid recycle system for collection of Mother liquor, Treatment and Reuse thus by recycled 70% reduction in fresh acetic acid consumption

(iii) Steps taken by the Company for utilizing alternate sources of energy

Mahad

Waste :-

- ➢ Hazardous Waste sent to Co- processing 41.41 T in 2023-24 compared to last year 31.32 T in 2022-2023.
- ➢ Reuse of waste: 550 Tonn/Annum generated Boiler ash sent to bricks manufacturer
- ➢ Improvisation of wastewater treatment facility (end-of-pipe): Recycling of ETP Treated Effluent: -98% which is equal to 18705 KL ETP treated effluent recycled to process cooling tower, compared to previous year 92% (13519 kl).

(B) Technology Absorption

(i) Efforts made towards technology absorption & benefits derived:

1. Development of process for APIs from Lab, Kilo Lab and Pilot Plant Scale and at plant level for DMF filing and for commercial production with quality of API meeting as per ICH requirements. Technology absorption and filed

   NPD – 2 nos (USVMF-2)

   Cost improvement project:

3 – API's

2. Enhancing Capacity

   In addition to previous year, 2 no's ANFD's are replaced with Centrifuges to reduce solvent exposure and improvise ease of operation

(ii) Process optimization

1. Xylene recovery and reuse in solvent recovery plant and there by reduction of 35% of fresh xylene
2. Recycling of acetic acid in the process resulting into reduction of effluent load and 70% reduction in fresh acetic acid consumption in the process
3. In one of the product, CARPROFEN, chloronil is being recovered and 10% re used back into process there by reduction of effluent load
4. In one of the product FLUNIXIN MEGLUMINE, process optimised to avoid generation of by-product as a waste, there by reduction of 100% waste
5. In one of the product TRICLABENDAZOLE, process optimization by removing one of the process stage and thereby reducing 50% of effluent generation for this product (stage2 eliminated)

(iii) The expenditure incurred on Research and Development

During the financial year the Company has not undertaken Research and Development (R&D) activities. However, the Company carries out R&D activities through its subsidiaries. Hence the expenditure on R&D activities during the financial year 2023-24 is Nil.

(C) Foreign Exchange Earnings and Outgo:

₹ in million

PARTICULARS	FY 2023-2024
Foreign Currency earned	188.00
Foreign Currency used	81.00

For and on Behalf of the Board of Directors of
Sequent Scientific Limited

Date: May 15, 2024
Place: Thane

Dr. Kamal Sharma
Chairman

ANNEXURE 6

Disclosure under Section 62 of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBS Regulations) forming part of the Directors' Report for the year ended March 31, 2024

A. Details related to Employee Stock Option Scheme

Your Company currently has 2 (Two) ESOP Schemes as under:

i) SeQuent Scientific Employee Stock Option Plan 2010

<table>
<tr><td>1.</td><td>Date of Shareholders Approval</td><td>September 24, 2015</td></tr>
<tr><td>2.</td><td>Total no. of options approved under ESOP</td><td>7% of paid up capital</td></tr>
<tr><td>3.</td><td>Vesting requirements</td><td><table><tr><th>Year</th><th>% of option vested</th></tr><tr><td>1</td><td>25</td></tr><tr><td>2</td><td>25</td></tr><tr><td>3</td><td>25</td></tr><tr><td>4</td><td>25</td></tr></table></td></tr>
<tr><td>4.</td><td>Exercise price or pricing formula</td><td>Closing Market prices of company's equity shares on the stock exchange which has highest trading volume on a day prior of grant of options</td></tr>
<tr><td>5.</td><td>Maximum term of options granted</td><td>4 years from the date of grant of options</td></tr>
<tr><td>5.</td><td>Source of shares</td><td>Primary</td></tr>
<tr><td>6.</td><td>Variation in terms of options</td><td>Nil</td></tr>
<tr><td>7.</td><td>Method used to account for ESOP (Intrinsic or Fair value)</td><td>Fair Value</td></tr>
<tr><td>8.</td><td>Where the company opts for expensing of the options using the intrinsic value of the options</td><td>Not Applicable</td></tr>
<tr><td>9.</td><td>Option movement during the year 2023-24</td><td></td></tr>
<tr><td></td><td>Number of options outstanding as on April 1, 2023</td><td>45,000</td></tr>
<tr><td></td><td>Number of options granted during year</td><td>-</td></tr>
<tr><td></td><td>Number of options forfeited / lapsed during the year</td><td>45,000</td></tr>
<tr><td></td><td>Number of options vested during the year</td><td>-</td></tr>
<tr><td></td><td>Number of options exercised during the year</td><td>-</td></tr>
<tr><td></td><td>Number of shares arising as a result of exercise of options</td><td>-</td></tr>
<tr><td></td><td>Loan repaid by the Trust during the year from exercise price received (Money realized by exercise of options during the year)</td><td>-</td></tr>
<tr><td></td><td>Options outstanding as on March 31, 2024</td><td>-</td></tr>
<tr><td></td><td>Options exercisable as on March 31, 2024</td><td>-</td></tr>
<tr><td></td><td>Variation of terms of options</td><td>Nil</td></tr>
<tr><td></td><td>Weighted average exercise price of options</td><td>40.00</td></tr>
<tr><td></td><td>Weighted average fair values of options</td><td>40.99</td></tr>
<tr><td></td><td>Range of exercise price for options outstanding at the end of the year</td><td>₹ 40/- per option</td></tr>
</table>

ii) SeQuent Scientific Limited Employees Stock Option Plan 2020

1.	Date of Shareholders Approval	January 17, 2021
2.	Total no. of options approved under ESOP	1,85,00,000 options (One Crore Eighty-Five Lakhs)
3.	Vesting requirements	The Options granted shall vest so long as an eligible employee continues to be in the employment of the Company or the Subsidiary Company as the case may be, as under: **Class A Options** The Class A Options granted under the Scheme shall vest in 5 (five) equal annual tranches as under: • First tranche to vest at the end of 12 months from the date of grant in compliance with SEBI Regulations • Subsequent 4 (four tranches) to vest on 8th September of every year commencing from 8th September 2022, which is the anniversary of Carlyle taking control of the Company. **Class B Options** The Class B Options granted under the Scheme shall vest on earlier of; • Completion of 7th year commencing from the date of grant of options, OR • On Change of Control (cessation of control by the majority shareholder) combined with achieving the pre- determined Market Cap of the Company as compared to the Market Cap as on September 30, 2020 **Class C Options** The Class C Options granted under the Scheme shall vest on earlier of; • Completion of 7th year commencing from the date of grant of options, OR • On achieving the Financial Outcomes, either in terms of Revenue, EBITDA, PAT or such other quantifiable financial matrix either on a Group Level or on a Regional Level or Divisional level ('Financial Outcome') to be agreed to between NRC and the Optionee at the time of grant of the options. In any case, the vesting will be subject to completion of one year from the date of the grant.
4.	Exercise price or pricing formula	The first lot of Grants is proposed to be issued at an Exercise Price of ₹ 86/- per option. NRC has powers to vary the Exercise Price, for future grants. The price is based on the price paid by the Carlyle Group to acquire controlling stake in SeQuent Scientific Limited in August 2020 and September 2020 and the price at which an open offer was made to the Shareholders of Sequent Scientific Limited under the SEBI Takeover Regulations.
5.	Maximum period of options granted	7 years from the date of grant of options
6.	Source of shares	Primary
7.	Variation in terms of options	Nil
8.	Method used to account for ESOP (Intrinsic or Fair value)	Fair Value

9.	Where the company opts for expensing of the options using the intrinsic value of the options	N.A.
10.	**Option movement during the year 2023-24**	
	Number of options outstanding as on April 1, 2023	1,09,27,500
	Number of options granted during year	8,00,000 Class A options 31,50,000 Class B options
	Number of options forfeited / lapsed during the year	17,80,000
	Number of options vested during the year	14,80,000
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Options outstanding as on March 31, 2024	1,30,97,500
	Options exercisable as on March 31, 2024	32,87,500
	Variation of terms of options	Nil
	Weighted average fair values of options	95.83
	Range of exercise price for options outstanding at the end of the year	₹ 86/- per option

B. Employee-wise details of options granted during the year:

Sl. No.	Name of employee	Designation	Number of options granted during the year	Exercise price
(a) Key Managerial personnel/Senior Managerial personnel				
1	Mr. Saurav Bhala	Chief Financial Officer	5,00,000	₹ 86/- per option
2	Mr. Phillip Trott	AVP Legal, CS & Compliance	1,00,000	₹ 86/- per option
3	Mr. Pradip Natarajan	AVP QA	1,00,000	₹ 86/- per option
4	Mr. Sharat Narasapur	Joint Managing Director	5,00,000	₹ 86/- per option
5	Mr. Parag Maheshwari	AVP – MD's Office	1,00,000	₹ 86/- per option
6	Mr. Indranil Chowdhury	AVP – Global Business Development	1,00,000	₹ 86/- per option
7	Mr. Ashish Kakabalia	VP International Formulation BD	1,00,000	₹ 86/- per option
8	Mr. Apil Arora	AVP – India Formulation Business	1,00,000	₹ 86/- per option

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year: None

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: None

C. Details related to Trust:

Particulars		Details
1	Name of the Trust	Sequent Scientific Employee Stock Option Plan Trust
2	Details of the Trustees	Mr. Prasad Lad and Mrs. Kalpana Mukherjee
3	Amount of loan disbursed by company / any company in the group, during the year	Nil
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Nil
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	Nil
6	Any other contribution made to the Trust during the year	21,240/-

D. Brief details of transactions in shares by the Trust

(a)	Number of shares held as on April 1, 2023	9,62,250
(b)	Number of shares acquired during the year through	
	(i) primary issuance	NIL
	• acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	Nil
(c)	Number of shares transferred to the employees on exercise of options under Sequent ESOP Scheme 2010	NIL
(d)	Number of shares sold in open market during the year	5,55,000
(e)	Number of shares held as on March 31, 2024	4,12,250

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is set out below:

1. Company's philosophy on code of Governance

As we embark on another year of growth and innovation, we view the code of governance as the bedrock of our organizational culture and the guiding light for all our endeavours. Our philosophy revolves around the belief that governance isn't merely a set of regulatory requirements but a fundamental principle that shapes our interactions, decisions, and responsibilities. We understand that robust governance practices are essential for maintaining trust among our stakeholders, driving sustainable growth, and safeguarding the long-term interests of our shareholders. Therefore, we embrace a proactive approach to governance, continuously evaluating and enhancing our policies, procedures, and structures to adapt to evolving business landscapes and stakeholder expectations.

Central to our governance philosophy is the unwavering commitment to transparency, integrity, and accountability. We believe in fostering an environment where open communication, ethical behaviour, and sound decision-making are not just encouraged but ingrained in our corporate DNA. By promoting a culture of honesty, fairness, and respect, we empower our employees to uphold the highest standards of conduct in every aspect of their work. Furthermore, we recognize that effective governance extends beyond compliance with laws and regulations; it entails a genuine commitment to ethical leadership and responsible corporate citizenship. Through our actions, we strive to demonstrate our dedication to creating long-term value for all our stakeholders while contributing positively to the communities in which we operate.

2. Board of Directors

Composition of Board

The Board of Directors of the Company comprises of an appropriate combination of Executive and Non-Executive Directors.

As on date, the Board comprises of 9 (Nine) Directors out of which 2 (Two) Directors are Executive, 3 (Three) Directors are Non-Executive Independent including one Woman Independent Director and 4 (Four) Directors are Non-Executive Non-Independent. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations. All Directors are competent and experienced personalities in their respective fields. The Chairman of the Board is Dr. Kamal Sharma, Independent Director of the Company.

During the year, the following changes took place in the Board of Directors of the Company:

- Mr. Hari Babu Bodepudi (DIN: 01119687) was appointed as Non-Executive Non-Independent Director of the Company w.e.f. August 07, 2023.

During the year under review, all Independent Directors of the Company fulfilled the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 (the "Act") and Rules framed thereunder and Regulation 16(1) of the Listing Regulations and have furnished declaration of independence pursuant to Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfil the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

A formal letter of appointment as provided in the Act and Listing Regulations has been issued to Independent Directors of the Company. Terms and Conditions of appointment of Independent Directors are disclosed on the website of the Company i.e. https://www.sequent.in/pdf/independent-director/Terms%20&%20Conditions%20of%20Independent%20Directors.pdf

Board Meetings held during the year:

During the year ended March 31, 2024, 6 (Six) Board Meetings were held. These Meetings were held on May 23, 2023, August 10, 2023, September 14, 2023, November 06, 2023, February 05, 2024, and February 13, 2024.

In case of special and urgent business needs, the Board's approval was taken by passing resolutions through circulation, as permitted by law, which was confirmed in the subsequent Board Meeting.

Composition of the Board and Directorships during the year and as on date:

Name of Director	DIN	Category	Number of Directorships held in other public companies	Number of memberships in Board Committees	Chairmanships in Board Committees	Directorships held in other listed companies along with nature of Directorship
Dr. Kamal Sharma	00209430	C & NEID	2	3	1	• Shilpa Medicare Limited– NEID
Mr. Milind Sarwate	00109854	NEID	9	10	4	• CEAT Limited – NEID • Mahindra & Mahindra Financial Services Limited – NEID • Matrimony.com Limited – NEID • Asian Paints Limited– NEID • FSN E-Commerce Ventures Limited– NEID
Dr. (Mrs.) Kausalya Santhanam	06999168	NEID	2	4	1	• Solara Active Pharma Sciences Limited – NEID • Strides Pharma Science Limited – NEID
Mr. Neeraj Bharadwaj	01314963	NENID	5	2	-	• Piramal Pharma Limited-NENID
Mr. Gregory Andrews	08904518	NENID	-	-	-	-
Dr. Fabian Kausche	08976500	NENID	-	-	-	-
Dr. Hari Babu Bodepudi	01119687	NENID	1	-	-	-
Mr. Sharat Narasapur	02808651	ED	2	-	-	-
Mr. Rajaram Narayanan	02977405	ED	2	-	-	-

C = Chairman

ED = Executive Director

NENID = Non-Executive Non-Independent Director

NEID = Non-Executive Independent Director

Notes:

1. Number of Directorships held in other public companies excludes Directorship of Sequent Scientific Limited, Directorships in private companies, deemed public companies, foreign companies and companies under Section 8 of the Companies Act, 2013
2. Only Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Sequent Scientific Limited are considered.
3. Due to exceptional circumstances caused by COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2023-24 were held through Video Conferencing.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26(1) of the Listing Regulations. Further, none of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

Inter-se relationship among Directors

There is no inter-se relationship amongst any of the Directors of the Company during the year under review.

Separate Meeting of Independent Directors

In terms of provisions of the Act and Regulation 25 of the Listing Regulations, the Independent Directors met on March 21, 2024, without the presence of Non-Independent Directors.

The Independent Directors in their Meeting held on March 21, 2024, inter-alia:

i. reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive directors and Non-Executive Directors;

iii. assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation programme for Independent Directors

The Board Members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with Company's procedures and practices. Periodic presentations are made at the Board Meetings on regulatory updates, roles and responsibilities as a Director of the Company, updates on industry in which the Company operates and business model of the Company.

The details on familiarisation programme are disclosed on the website of the Company at www.sequent.in.

Skills/ Expertise/ Competencies of the Board of Directors

Pursuant to SEBI (LODR) (Amendment) Regulations, 2018, the Company has set out below the chart/matrix setting out the skills/expertise/competence of the Board of Directors of the Company along with names of directors who possesses such skills/expertise/competence.

Part A: relating to Industry knowledge experience

- Pharmaceutical Industry Experience
- Global Regulatory Requirements
- Knowledge about Peer Companies
- Entrepreneurship
- Environment/ Sustainability/ Corporate Responsibility

Part B: relating to Technical Skills

- Strategy & Business Development
- Quality Assurance
- Finance, Accounting & Taxation
- Statutory / Regulatory Compliance
- Human Resources / Industrial Relations
- Risk Management & Mitigation
- Stakeholder Communication/ Investor Relations

Mapping of above skills with the Directors

Skill Set	Rajaram Narayanan	Sharat Narasapur	Kamal Sharma	Milind Sarwate	Kausalya Santhanam	Neeraj Bharadwaj	Hari Babu Bodepudi	Fabian Kausche	Gregory Andrews
Pharmaceutical Industry Experience	√	√	√	√	√	√	√	√	√
Global Regulatory Requirements	√	√	√	X	√	X	√	√	X
Knowledge about Peer Companies	√	√	√	√	√	√	√	√	√
Entrepreneurship	√	√	√	√	√	√	√	√	√
Environment/ Sustainability/ Corporate Responsibility	√	√	√	√	√	√	√	√	√

Skill Set	Rajaram Narayanan	Sharat Narasapur	Kamal Sharma	Milind Sarwate	Kausalya Santhanam	Neeraj Bharadwaj	Hari Babu Bodepudi	Fabian Kausche	Gregory Andrews
Strategy & Business Development	√	√	√	√	√	√	√	√	√
Quality Assurance	X	√	√	√	√	X	√	X	X
Finance, Accounting & Taxation	√	√	√	√	√	√	√	√	√
Statutory/ Regulatory Compliance	√	√	√	√	√	√	√	X	X
Human Resources/ Industrial Relations	√	√	√	√	X	√	√	√	X
Risk Management & Mitigation	√	√	√	√	√	√	√	√	X
Stakeholder Communication/ Investor Relations	√	√	√	√	X	√	X	√	√

Attendance at Board Meetings and last Annual General Meeting

During, the year ended March 31, 2024, the Board met 6 (Six) times and the attendance of each Director at Board meeting, and the Annual General Meeting is given below:

Name of the Director*	No. of Board Meetings held during the period in which the said Director was on Board	Attendance at the Board Meetings	Attendance at the last AGM
Mr. Rajaram Narayanan Managing Director & CEO	6	6	Present
Mr. Sharat Narasapur, Joint Managing Director	6	5	Present
Dr. Kamal Sharma, Chairperson & Independent Director	6	6	Present
Mr. Milind Sarwate, Independent Director	6	6	Present
Dr. Kausalya Santhanam, Independent Director	6	6	Present
Mr. Neeraj Bharadwaj, Non-Executive Director	6	5	Absent
Mr. Gregory Andrews, Non-Executive Director	6	6	Present
Dr. Fabian Kausche, Non-Executive Director	6	5	Present
Mr. Hari Babu Bodepudi, Non-Executive Director (appointed as director on August 07, 2023)	5	4	Absent

3. Audit Committee

The Company has set up an Audit Committee in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of Reference

The Company has an independent Audit Committee. The composition, procedures, powers and role/ functions of the Audit Committee, constituted by the Company, comply with requirements of the Act and the Listing Regulations.

The Audit Committee has the following responsibilities/powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Act
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Modified opinions in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document /prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the financials of unlisted subsidiaries, in particular the investment made by unlisted subsidiaries;
21. Reviewing the statement of deviations:
    a. Quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange in terms of the Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    b. Annual Statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Regulations, 2015.

22. To review the utilisation of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
23. To review management discussion and analysis of financial condition and results of operations;
24. To review statement of significant related party transactions (as defined by the audit committee), submitted by management;
25. To review management letters / letters of internal control weaknesses issued by the statutory auditors;
26. To review internal audit reports relating to internal control weaknesses;
27. Appointment, removal and terms of remuneration of the chief internal auditor;
28. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
29. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Composition of Audit Committee, Meetings held and attendance during the year

As on date, the Audit Committee has 4 (Four) Members consisting of 3 (Three) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director. The Members of the Audit Committee as on March 31, 2024, are:

1. Mr. Milind Sarwate-Chairman (Independent Director)
2. Dr. Kamal Sharma-Member (Independent Director)
3. Mr. Neeraj Bharadwaj-Member (Non Independent Director)
4. Dr. (Mrs.) Kausalya Santhanam (Independent Director)*

*Dr (Mrs.) Kaushlya Santhanam inducted into the AMC on April 17,2024

During the year ended March 31, 2024, 7 (Seven) Audit Committee Meetings were held on May 23, 2023, August 10, 2023, September 14, 2023, November 06, 2023, February 05, 2024, February 13, 2024, and March 29, 2024. The Company Secretary of the Company also acts as the secretary to this Committee.

Details of Members and Meetings attended by them during the year are as under:

Name of the Member	Chairperson / Member	No. of Meetings held during the period in which the said Member was on Committee	No. of Meetings attended
Mr. Milind Sarwate	Chairman	7	7
Dr. Kamal Sharma	Member	7	7
Mr. Neeraj Bharadwaj	Member	7	5

4. Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee has been constituted in terms of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Terms of reference

The role of the NRC includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
5. Discussing and deciding on whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors;
6. To recommend to the board, all remuneration, in whatever form, payable to senior management.

7. NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

   For the purpose of identifying suitable candidates, NRC may:

   a. use the services of an external agencies, if required
   b. consider candidates from a wide range of backgrounds, having due regard to diversity and
   c. consider the time commitments of the candidates

Composition of NRC

As on date, the NRC Committee has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director. The Members of the Nomination Committee as on March 31, 2024, are:

1. Mr. Milind Sarwate-Chairman (Independent Director)
2. Dr. Kamal Sharma-Member (Independent Director)
3. Mr. Neeraj Bharadwaj-Member (Non Independent Director)

During the year ended March 31, 2024, 4 (Four) NRC Meetings were held on May 10, 2023, August 07, 2023, October 31, 2023, and January 31, 2024. The Company Secretary of the Company acts as the secretary to this Committee.

Details of Members and Meetings attended by them during the year are as under:

Name of the Member	Chairperson / Member	No. of Meetings held during the period in which the said Member was on Committee	No. of Meetings attended
Mr. Milind Sarwate	Chairman	4	4
Dr. Kamal Sharma	Member	4	4
Mr. Neeraj Bharadwaj	Member	4	3

Remuneration Policy

The Committee recommends the compensation package to the executive directors of the Company. The remuneration will include salary, perquisite, allowances and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high calibre talent. The Policy is available at the following link: http://www.sequent.in/pdf/policies/Nomination-Remuneration-Policy_2019.pdf.

Remuneration paid to Directors.

Name of the Director	Salary	Perquisites	Sitting Fees	Commission	Total ₹ in Millions
Rajaram Narayanan (Managing Director & CEO)	31.18	-	-	-	31.18
Mr. Sharat Narasapur (Joint Managing Director)	-	-	-	-	-
Dr. (Mrs.) Kausalya Santhanam (Independent Director)	-	-	0.90	-	0.90
Dr. Kamal Sharma (Independent Director)	-	-	2.00	-	2.00
Mr. Milind Sarwate (Independent Director)	-	-	2.10	-	2.10
Mr. Gregory Andrews (Non-executive Director)	-	-	0.60	-	0.60
Dr. Fabian Kausche (Non-executive Director)	-	-	0.50	-	0.50
Dr. Hari Babu Bodepudi (Non-executive Director)	-	-	0.40	-	0.40
Mr. Neeraj Bhardwaj (Non-Executive Director)	-	-	-	-	-

As per the policy of the Company, a notice period of three months is applicable to a Managing Directors/Whole-time Directors of the Company and no severance fee is paid to a Managing Director/Whole-time Director.

During the financial year 2023-24, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company apart from receiving sitting fee for attending the Meetings of Board and Committee of the Company and commission on profit. The Company pays ₹ 1,00,000/- to the Non-Executive Directors for attending a Meeting of Board of Directors and the Committees of the Board and commission upto 2% of the net profits of the Company. Mr. Neeraj Bharadwaj being employee of Carlyle, did not draw any sitting fee or commission.

The Managing Director and the Joint Managing Director are eligible for variable pay against the performance criteria as set by the Company. Further, their contract is governed by service period applicable as per the internal policies of the Company.

Stock options

The details of Stock Options held by Mr. Rajaram Narayanan, Managing Director & CEO and Mr. Sharat Narasapur, Joint Managing Director under SeQuent Employee Stock Option Scheme 2010 and SeQuent Scientific Employee Stock Option Scheme 2020 as on March 31, 2024, are given as under:

Name of the Executive Director	Mr. Rajaram Narayanan, Managing Director & CEO	Mr. Sharat Narasapur, Joint Managing Director
	ESOP 2020	ESOP 2020
Options granted	71,00,000	10,00,000
Options vested	16,00,000	2,00,000
Options exercised	NIL	1,00,000
Options Cancelled	NIL	5,00,000
Options outstanding	71,00,000	4,00,000

5. Stakeholders Relationship Committee (SRC)

The Stakeholders Relationship has been constituted in terms of the provisions related thereto in the Act and Regulation 20 of the Listing Regulations under the chairmanship of a Non-Executive Director.

Terms of Reference:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. To review measures taken for effective exercise of voting rights by the shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Composition of the Committee

As on March 31, 2024, the SRC has 3 (Three) Members consisting of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director of the Company. The Members of the Committee as on March 31, 2024, are as under:

1. Dr. Kausalya Santhanam -Chairperson (Independent Director)
2. Mr. Milind Sarwate-Member (Independent Director)
3. Mr. Rajaram Narayanan -Member (Managing Director & CEO)

During the year ended March 31, 2024, 1 (One) Meeting was held on March 21, 2024, and Two Committee Members attended the Meeting.

The Committee has delegated the power of Share Transfer to the Compliance Officer of the Company. The delegated authority will attend for the matter of Share Transfer formalities on a regular basis.

Shareholders Complaint details: No complaints were received from Shareholders of the Company during the year ended March 31, 2024. There were no complaints pending as on March 31, 2024.

The designated email address for shareholders complaints is investorrelations@sequent.in

6. Corporate Social Responsibility Committee (CSR)

As on March 31, 2024, the CSR Committee has 3 (Three) Members consisting of 2 (Two) Executive Directors and 1 (One) Non-Executive Independent Director of the Company. The following are the Members of the Committee as on March 31, 2024:

1. Dr. Kamal Sharma-Chairman (Independent Director)
2. Mr. Rajaram Narayanan -Member (Managing Director & CEO)
3. Mr. Sharat Narasapur-Member (Joint Managing Director)

During the year ended March 31, 2024, 2 (Two) CSR Committee Meetings were held. These Meetings were held on May 12, 2023, and March 27, 2024.

Details of Members and Meetings attended by them during the year are as under:

Name of the Member	Chairperson / Member	No. of Meetings held during the period in which the said Member was on Committee	No. of Meetings attended
Dr. Kamal Sharma	Chairman	2	2
Mr. Rajaram Narayanan	Member	2	2
Mr. Sharat Narasapur	Member	2	1

The CSR Committee is constituted by the Board in accordance with the Act to:

1. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company and amendments to the policy as and when required.
2. Regular monitoring and implementation of CSR Policy.
3. Identify Key initiatives pursuant to the CSR Policy.
4. Recommend to the Board the CSR expenditure to be incurred.
5. Identify and recommend ongoing projects to the Board

A Report on CSR Activities carried out by the Company during FY 2023-24 is provided as **Annexure 4** to the Board's Report.

7. Risk Management Committee (RMC)

As on March 31, 2024, the RMC has 4 (Four) Members consisting of 2 (Two) Non-Executive Directors, 1 (One) Executive Director and a Chief Financial Officer (CFO) of the Company. The following are the Members of the Committee as on March 31, 2024:

1. Mr. Neeraj Bharadwaj-Chairman
2. Mr. Milind Sarwate-Member
3. Mr. Rajaram Narayanan -Member
4. Mr. Saurav Bhala- Member

Mr. Saurav Bhala, CFO was inducted into the RMC on November 06, 2023.

During the year ended March 31, 2024, 2 (Two) Risk Management Committee Meetings were held on September 05, 2023, and February 29, 2024.

Details of Members and Meetings attended by them during the year are as under:

Name of the Member	Chairperson / Member	No. of Meetings held during the period in which the said Member was on Committee	No. of Meetings attended
Mr. Neeraj Bharadwaj	Chairman	2	2
Mr. Milind Sarwate	Member	2	2
Mr. Rajaram Narayanan	Member	2	2
Mr. P. V. Raghavendra Rao (resigned w.e.f. October 25, 2023)	Member	1	1
Mr. Saurav Bhala (appointed as a member w.e.f. November 06, 2023)	Member	1	1

The RMC Committee is constituted by the Board in accordance with the Listing Regulations to:

(1) To formulate a detailed risk management policy which shall include:

  (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

  (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (c) Business continuity plan

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

(7) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

(8) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

8. Ethics and Governance Committee

As on date, the Members of the Ethics and Governance Committee are Dr. Kausalya Santhanam, Independent Director, Mr. Prasad Lad, VP-HR & Admin and Mr. Phillip Trott, AVP-Legal, Secretarial and Compliance and Company Secretary

Terms of Reference:

1. To monitor the functioning of the below mentioned codes/policies:
    a) Anti-Money Laundering & Counter Terrorist Financing Policy
    b) Anti-Corruption Compliance Policy
    c) Prevention of Sexual Harassment Policy
    d) Whistle Blower Policy
2. To do preliminary investigation and present issues with recommendation to appropriate Committees.

Ethics and Governance Committee Meeting was held on March 21, 2024, details of Members and Meetings attended by them during the year are as under:

Name of the Member	Chairperson / Member	No. of Meetings held during the period in which the said Member was on Committee	No. of Meetings attended
Dr. Kausalya Santhanam	Chairperson	1	1
Mr. Prasad Lad	Member	1	1
Mr. Phillip Trott	Member	1	1

9. General Body Meetings:

Details of the last three Annual General Meetings of the Company and Special Resolutions passed in that Meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions
2020-21	Tuesday, September 21, 2021, at 04:00 P.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	None
2021-22	Tuesday, September 20, 2022, at 04:00 P.M.	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	• Continuation of Non-Executive Independent Directorship of Dr. Kamal Sharma
2022-23	Wednesday, August 30, 2023, at 04:30 P.M	Meeting conducted through Video Conference (VC) / Other Audio-Visual Means (OAVM), as permitted by the Ministry of Corporate Affairs	• Amendment to SeQuent Scientific Limited Employee Stock Option Plan 2020

No Extra-Ordinary General Meeting was held during the year under review.

Details of resolutions passed through Postal Ballot:

During the year under review, 2 (Two) Postal Ballot process took place in which 3 (Three) Special Resolutions were approved by the Members of the Company. Hard Copy of Postal Ballot Notice along with Postal Ballot Forms and Pre-paid envelopes were not sent to the Members in terms of General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021 and General Circular No. 3/2022 dated May 5, 2022 ('MCA Circulars'). The Members approved the resolutions by communicating their Assent and Dissent only through remote e-voting. The Company had appointed M/s. Nilesh Shah & Associates, Company Secretaries, represented by Mr. Nilesh Shah or failing him Ms. Hetal Shah, Practicing Company Secretaries as the Scrutiniser for conducting Postal Ballot process. The Postal Ballot process was carried out in a fair and transparent manner. The Company had followed the procedure relating to Postal Ballot and E-voting pursuant to applicable provisions of Companies Act, 2013 read with Rules thereto and the provisions of the Listing Regulations. The result of Postal Ballot was communicated to the Stock Exchange(s) where the securities of the Company are listed and was posted on the website of the Company at www.sequent.in.

The details of the Postal Ballot process conducted during the financial year 2023-24 is provided herein below:

1. **Date of Postal Ballot Notice:** September 14, 2023

   Voting Period: September 21, 2023, to October 20, 2023

   Date of Approval by the Members: October 20, 2023

   Date of Declaration of Result: October 23, 2023

Sr. No.	Particulars of the resolution	Type of resolution	No. of voted polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1.	To approve the sale/ transfer of Company's API facility situated at Tarapur, Maharashtra	Special	161530384	15484394	95.76	6845990	4.24

2. **Date of Postal Ballot Notice:** February 05, 2024

Voting Period: February 07, 2024, to March 07, 2024

Date of Approval by the Members: March 07, 2024

Date of Declaration of Result: March 11, 2024

Sr. No.	Particulars of the resolution	Type of resolution	No. of voted polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1.	To create security on the undertakings of the Company under Section 180(1)(a) of the Companies Act, 2013	Special	161821515	156726237	96.85	5095278	3.15
2.	To consider and approve the pledge of shares by the Company of its material subsidiaries. and giving securities exceeding 20% of the assets of the material subsidiaries pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Special	161820777	156093742	96.46	5727035	3.54

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

10. Means of Communication:

a) The quarterly results are forthwith communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") as soon as they are approved and taken on record.

b) The results are published generally in Financial Express (English) and Mumbai Lakshadeep (Marathi) newspapers.

c) The results and shareholding pattern of the Company are displayed on the website of the Company i.e. www.sequent.in

d) The official news releases are intimated to Stock Exchanges (BSE & NSE) and also displayed on the website of the Company i.e. www.sequent.in

e) The presentations made to analysts and investors are displayed on the website of the Company i.e. www.sequent.in

f) The Company conducts an earnings call to interact with Investors / Analysts every quarter after the financial results are declared. The invite for the earnings call is notified in advance to the Stock Exchanges.

11. Disclosures:

i. The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note 45 to the standalone financial statements in the Annual Report.

The Company has Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is in the line with the Listing Regulations and the same can be accessed at :

https://www.sequent.in/pdf/policies/Sequent_Policy%20on%20RPT%20&%20Material%20Subsidiary_2019.pdf

ii. The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities relating to the above.

iii. The Company is in compliance with all mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

iv. The Company had appointed Price Waterhouse Coopers Services LLP (April 2023 - June 2023) & Grant Thornton Bharat LLP (Appointed on September 14, 2023 upto August 31, 2024) effective July 2023, Chartered Accountants as Internal Auditors of the Company for the financial year 2023-24. The reports of Internal Auditors are placed before the Audit Committee on a quarterly basis and the risk assessment and mitigation recommendations forms part of their presentation to the Audit Committee.

v. Pursuant to provisions of Section 177(9) of the Act and Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct.

It also provides adequate safeguards against the victimisation of employees who avail this mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Board confirms that no personnel have been denied access to the Audit Committee

The Company has a Whistle Blower policy and the same can be accessed at http://www.sequent.in/pdf/policies/Sequent_Whistle%20Blower%20Policy_2019.pdf.

vi. During the year ended March 31, 2024, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters forward contracts for hedging foreign exchange exposures against exports and imports. The Company has no commodity price risk and commodity hedging activities.

vi. In addition to the same, your Company also strives to adhere and comply with the discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the Listing Regulations, to the extent applicable.

a. The Company has appointed separate persons for the post of Chairman and Managing Director.

b. The Internal Auditor is appointed by the Audit Committee and makes a presentation of their findings to the Audit Committee.

vii. The disclosure pertaining to Sexual Harassment of Women at workplace is disclosed in the Board's Report. During the year under review, one complaint pertaining to sexual harassment was received and the same has been resolved as on date of this Report..

viii. The Company has not granted any loan or advances to firms/ companies in which directors are interested.

12. Details of Shareholding of Non-Executive Directors:

The Non-Executive Directors of the Company do not hold any shares in the Company.

13. General shareholder information

AGM: Date, Time and Venue	September 17, 2024, at 04.30 p.m. (IST) through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting.
Financial Year	April 1 to March 31
First Quarter Results	On or before August 14, 2024
Second Quarter Results	On or before November 14, 2024
Third Quarter Results	On or before February 14, 2025
Fourth Quarter Results	On or before May 30, 2025

13. General shareholder information (contd)

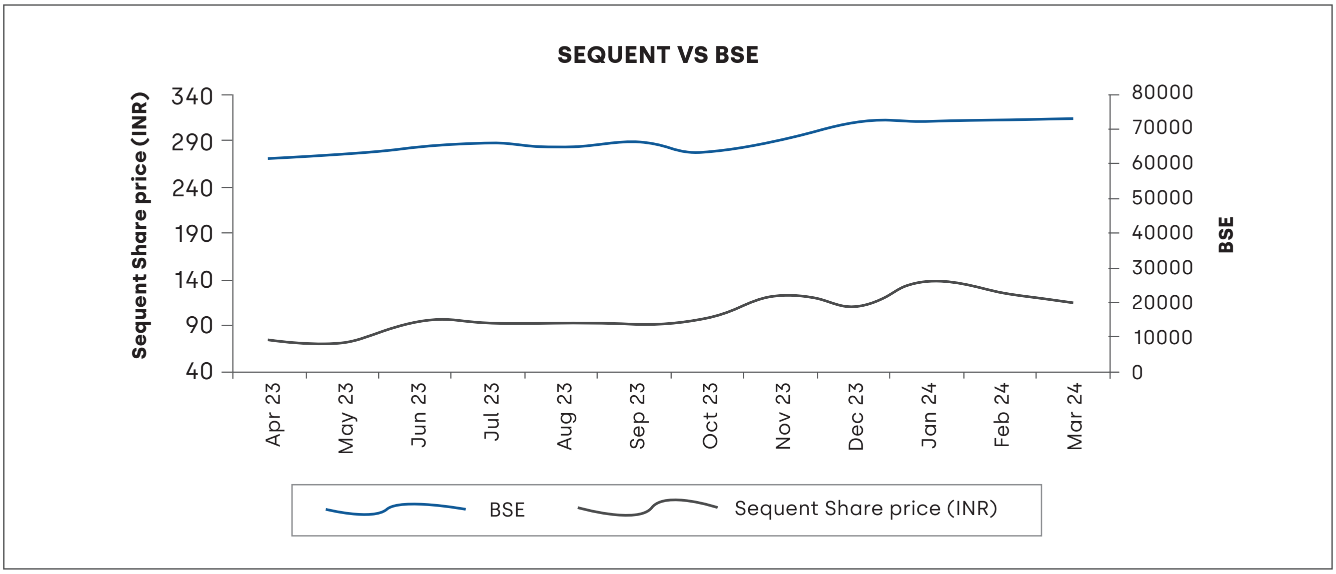
Listing on Stock Exchanges	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code: 512529 **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Symbol: SEQUENT ISIN: INE807F01027 The Company has paid listing fees for the financial year 2024-25 to the Stock Exchanges
Registrar & Transfer Agents	KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Karvy Selenium, Tower - B, Plot No. 31 & 32, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032
Share transfer system	The Shares of the Company are tradable compulsorily in demat mode.
Address for Correspondence	Mr. Phillip Trott Company Secretary & Compliance Officer SeQuent Scientific Limited 301, 'Dosti Pinnacle', Plot No. E7, Road No.22, Wagle Industrial Estate, Thane (West) - 400 604 Email: investorrelations@sequent.in

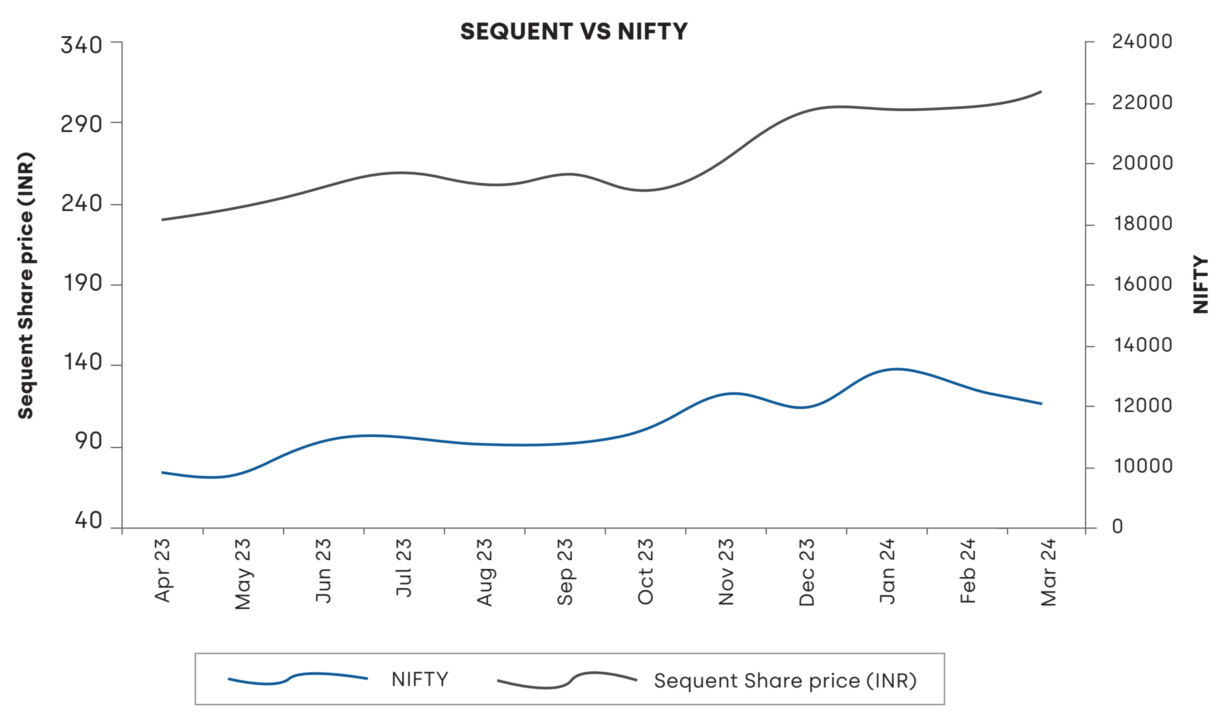
Market Price Data (High, Low during each month in financial year 2023-24)

(Amt. in ₹)

Month	**BSE**		**NSE**	
	High	**Low**	**High**	**Low**
April 2023	78.24	69.78	78.75	69.80
May 2023	84	70.15	84	70.60
June 2023	95.59	71.56	95.65	72.25
July 2023	95.5	86.41	95.5	86.45
August 2023	103.9	87.2	103.9	87.25
September 2023	96	86.03	96.15	86.40
October 2023	113.89	90.61	113.8	90.65
November 2023	127.9	96.61	127.9	96.70
December 2023	128.25	108.5	128.7	108.10
January 2024	146.9	113.9	147	113.9
February 2024	155.45	121	155.5	121.1
March 2024	135.45	112	135.55	112.1

Performance in Share comparison to BSE and NSE Indices





Distribution Schedule as on March 31, 2024:

Sl. No.	Category (Amount)	No.of Holders	% To Holders	No of Shares	Amount (₹)	% To Equity
1	1 - 5000	165675	97.61	31592096	63184192	12.67
2	5001 - 10000	2213	1.30	8137153	16274306	3.26
3	10001 - 20000	1056	0.62	7829537	15659074	3.14
4	20001 - 30000	302	0.18	3779446	7558892	1.52
5	30001 - 40000	120	0.07	2163231	4326462	0.87
6	40001 - 50000	80	0.05	1818735	3637470	0.73
7	50001 - 100000	164	0.10	5924185	11848370	2.38
8	100001 & Above	127	0.07	188189112	376378224	75.45
TOTAL:		**169737**	**100**	**249433495**	**498866990**	**100**

Bifurcation of shares held in physical and demat as on March 31, 2024

	Equity Shares of ₹ 2 each	
	Number	**% of Total**
NSDL	214605917	86.03
CDSL	34790073	13.95
Sub-Total	249395990	99.98
Physical	37505	0.02
Total	**249433495**	**100.00**

Shareholding pattern of Equity Shares as on March 31, 2024

Category	Number of Shareholders	Number of Shares held	% to total paid up Capital
Promoters & Promoter Group Companies	1	131680103	52.79
Bodies Corporate	768	16220079	6.50
Banks / Mutual Funds/ Financial Institutions (FIs)	6	12862451	5.16
Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors [FPIs]	40	15372237	6.16
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	2552	3167355	1.27
Resident Individuals	161111	60949418	24.44
Directors (Excluding promoter directors) & their relatives	0	0	0.00
Alternate Investment Fund	9	6072923	2.43
ESOP Trust	1	412250	0.17
Others			
(HUF/IEPF/ESOP Trust/ Clearing Members/QIB	2105	2696679	1.08
Total	**1,66,593**	**24,94,33,495**	**100.00**

Framework for Monitoring Subsidiary Companies

Pursuant to Regulation 24(1) of Listing Regulations, appointment of one of the Independent Directors of the Company on the Board of Material Subsidiaries were applicable only to following Subsidiaries:

1. M/s. Alivira Animal Health Limited, India (AAHL India)
2. M/s. Alivira Animal Health Limited, Ireland (AAHL Ireland)
3. M/s. Laboratorios Karizoo, S.A., Spain (Karizoo)

Dr. Kamal Sharma, Chairman of the Board and Independent Director of the Company also acts as an Independent Director of AAHL India and Dr. Kausalya Santhanam, Independent Director of the Company also acts as a Director of AAHL Ireland and Karizoo.

Change in Registrar and Share Transfer Agent

No Change during the year under review.

Outstanding ADRs/GDRs/warrants/ other convertible instruments:

The Company has no outstanding ADRs / GDRs / Warrants or any convertible instruments, as of date.

ESOPs:

Your Company currently has 2 (Two) ESOP Schemes as under:

a) SeQuent Scientific Employee Stock Option Plan 2010 and

b) Sequent Scientific Limited Employees Stock Option Plan 2020

The details as required to be disclosed under Section 62 of the Act read with Rule 1 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBS Regulation) are given in '**Annexure 6**' of the Board Report. Both the above scheme are in compliance with applicable regulations and a certificate from the M/s. Nilesh Shah & Associates., Practicing Company Secretaries and Secretarial Auditor of the Company, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be placed at the ensuing AGM for inspection by the Members and confirming that the scheme(s) has been implemented in accordance with the SEBI SBEBS Regulations.

Recommendations of the committees

During the year under review, the Board has accepted all recommendations made by the Audit Committee and Nomination and Remuneration Committee.

Succession Plan for Directors

The Nomination and Remuneration Committee (NRC) assist the Board in identifying and selecting new directors in the event of an anticipated or an unanticipated vacancy in the Board.

The purpose of the Director Succession Plan is to ensure the orderly identification and selection of new directors in the event of a vacancy on the Board, whether such opening exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Board, or otherwise.

Fees paid to Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part: ₹ 14.37 Mn.

Particulars	**₹ in Millions**
For Statutory Audit	13.10
For any other services including reimbursement of expenses	1.27

Credit Rating

As on the date of this Report, the credit rating assigned by India Ratings & Research (Fitch Group) was “IND A” with outlook being “Negative” (revised from “IND A+” with outlook being “Stable”) for long-term bank facilities of the Company. The said ratings signify a high degree of safety regarding the timely servicing of financial obligations.

Further, India Ratings & Research (Fitch Group) assigned a rating as “IND A1” (revised from IND A1+) for the Company’s short-term bank facilities, which signifies strong safety regarding timely payment of financial obligations and carry a very low credit risk.

Plant Locations

Alivira Saude, Rua Ângelo Esteves, nº 51, Jd Mirian, Campinas/SP, CEP 13098-416-Brazil	Karizoo, Spain Polig. Industrial La Borda Mas Pujades, 11-12 08140 Caldes de Montbui (Barcelona) Spain	Provet Veteriner Ürünleri San. ve Tic. A. S., Turkey: Polatlı Organise Sanayi Bölgesi 210., Cad de no:7 Polatlı/ Ankara, Turkey
Alivira Saude, Avenida Espanha 1025 e 1035, -Tibery, Uberlândia/ MG, CEP 38405-048-Brazil	Sequent Scientific Limited B-32, G-2, G-3, MIDC Industrial Area, Mahad, Raigad, Maharashtra 402305, India	Alivira Animal Health Limited Plot No- 104 to 109 & Part of 112 & 113, Ramky Pharma City SEZ JNPC, Parawada Mandal, Visakhapatnam, Andhra Pradesh, India
Alivira Animal Health Limited Plot Nos. A-68/69, Additional Ambernath, MIDC Indl. Area, Ambernath (East) Dist. Thane, Maharashtra, India	SeQuent Scientific Limited Plot Nos. 136, 137, 138, 139, 140, 141, 150, 151 & W-152, MIDC, Tarapur, Boisar Dist. Thane, Maharashtra - 401506, India (Discontinued Manufacturing effective July 13, 2023 and held for sale)	

No disqualification Certificate from Company Secretary in Practice

The Company has obtained a certificate from M/s. Nilesh Shah & Associates, Practising Company Secretaries, as required under Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authority as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

The same is appended to this report as an ‘**Annexure A**’.

Compliance Certificate from Practicing Company Secretary

Certificate from the Company’s Secretarial Auditors, M/s. Nilesh Shah & Associates, Practicing Company Secretaries, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

The same is appended to this report as ‘**Annexure B**’.

CEO & CFO Certification

The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The MD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

Annual Secretarial Compliance Report

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from M/s. Nilesh Shah & Associates, Practicing Company Secretary confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.

Code of Conduct

The Board has prescribed Code of Conduct for all Board Members and Senior Management of the Company.

The Code of Conduct is also posted on the website of the Company and can be accessed at www.sequent.in. All Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the financial year 2023-24.

A declaration to this effect signed by Mr. Rajaram Narayanan, Managing Director & CEO is reproduced below:

In accordance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby conform that; all the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and Ethics for the Members of the Board and the Senior Management, as applicable to them, in respect of the financial year 2023-24.

Note: The information given herein above is as of March 31, 2024, unless otherwise stated.

For and on Behalf of the Board of Directors
of Sequent Scientific Limited

Place: Thane
Date: May 15,2024

Rajaram Narayanan
Managing Director & CEO

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Sequent Scientific Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No.22,
Wagle Industrial Estate,
Thane West – 400 604

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sequent Scientific Limited, having CIN: L99999MH1985PLC036685 and having registered office situated at 301, 3rd Floor, Dosti Pinnacle, Plot No.E7, Road No. 22, Wagle Industrial Estate, Thane West – 400 604 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Dr. Kamal Sharma	00209430	25/08/2020
2.	Dr. (Mrs.) Kausalya Santhanam	06999168	28/10/2014
3.	Mr. Milind Sarwate	00109854	25/08/2020
4.	Mr. Neeraj Bharadwaj	01314963	17/08/2020
5.	Mr. Gregory Andrews	08904518	06/11/2020
6.	Mr. Fabian Kausche	08976500	14/12/2020
7.	Mr. Rajaram Narayanan	02977405	11/04/2022
8.	Mr. Hari Babu Bodepudi	01119687	07/08/2023

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

Signature: sd/-
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554
C.P.: 2631

Date: 15.05.2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000378026

Annexure B

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Sequent Scientific Limited
301, 3rd Floor, Dosti Pinnacle,
Plot No. E7, Road No. 22,
Wagle Industrial Estate,
Thane West – 400 604.

We have examined the compliance of conditions of Corporate Governance by Sequent Scientific Limited ('the Company'), for the financial year ended on 31st March, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

Signature: sd/-
Name: **Nilesh Shah (Partner)**
For: **Nilesh Shah & Associates**
FCS: 4554
C.P.: 2631

Date: 15.05.2024
Place: Mumbai
Peer Review No.: 698/2020
UDIN: F004554F000378004

INDEPENDENT AUDITOR'S REPORT

To the Members of Sequent Scientific Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sequent Scientific Limited ("the Company"), which includes Sequent Scientific Employee Stock Option Plan Trust (the "Trust") which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including 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 and based on the consideration of report of other auditor on separate financial statement and other financial information of the Trust, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Deferred tax assets (as described in Note 8 and Note 40 of the standalone financial statements)	
As at March 31, 2024, the Company has Deferred Tax Asset ("DTA") of ₹ 115.92 million, which includes MAT credit of ₹ 73.99 million and DTA of ₹ 41.93 million created on account of income tax losses which is available for utilization against future tax liabilities. The analysis of the recoverability of deferred tax assets has been identified as a key audit matter because the assessment of recoverability involves significant estimates and judgement in respect of forecasted taxable profits for future years. Due to the significance and materiality of the deferred tax balances and the judgment involved, this matter was considered significant to our audit and hence a key audit matter.	We performed the following audit procedures, among others: • We obtained an understanding of the management's process for estimating the recoverability of deferred tax assets. • We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We tested the arithmetical accuracy of the computation of the amounts recognised as deferred tax assets. • We involved tax experts to assist in evaluating measurement of income tax charge for the year including computation of deduction and evaluation of various tax positions and potential exposures. • We read and assessed relevant disclosures made in the standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition under Ind AS 115, “Revenue from contracts with customers" (as described in Note 2.4(i) and Note 30 of the standalone financial statements)	
The Company recognizes revenue from sale of goods at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition. Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.	We performed the following audit procedures, among others: • We read the Company’s accounting policy for revenue recognition and assessed its compliance with 115 ‘Revenue from contracts with customers’; • We assessed the design and tested the operating effectiveness of internal financial controls related to sale of goods; • For sample customers, we obtained and assessed the arrangements with the Company and impact on revenue recognition including their payment terms and right to returns; • On a sample basis, we tested underlying documents including purchase orders issued by customers, and sales invoices raised by the Company and shipping documents to assess the timing of transfer of control and the timing of revenue recognition; • We analyzed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc., for sample transactions; • We requested for and obtained independent balance confirmations from the Company’s customers on sample basis and tested reconciliations wherever required. • We read and assessed the relevant disclosures made within the standalone financial statements.
Impairment assessment of investments in subsidiaries and amount due from subsidiaries: (as described in Note 5 and Note 6 of the standalone financial statements)	
The Company has investments in subsidiaries of ₹ 6,402.92 million and amount due from subsidiary of ₹ 3,692.47 million as at March 31, 2024. The said investments and amount due are carried at cost less allowance for impairment, if any. The Management reviews periodically whether there are any indicators of impairment of the said investments and amount due from them by reference to the requirements under Ind AS 36 and Ind AS 109. If such indicator exists, impairment loss is determined and recognized in the standalone financial statements in accordance with the accounting policies. The Management carries out impairment assessment for investments and amount receivables from subsidiaries with indicators of impairment and if there are any such indicators, determines the recoverable amount based on estimates of future cash flows of the businesses covered by investments. As investments in subsidiaries and amount receivables from subsidiary are significant and impairment assessment involves significant assumptions and judgment, we regard this as a key audit matter.	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested the operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models. • We assessed whether there were indicators of impairment of investments and amount due from subsidiaries. Where indicators existed, we have assessed whether management has estimated the recoverable amounts of these investments and amount due from subsidiaries, including the assumptions used by the management in making such estimates. • We evaluated the methodology used by the Company for future projections to determine the recoverable amount, in particular those assumptions relating to the sales growth rate, pre-tax discount rate used. • We involved valuation specialists to review key assumptions considered in the recoverable amount determination. • We compared the carrying values of the Company’s investments and amounts due from subsidiaries with their recoverable amounts and the consequent allowance for impairment, if any. • We read and assessed the relevant disclosures made in 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 Annual report, but does not include the 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of the Trust included in the accompanying standalone financial statements of the Company whose financial statements and other financial information reflect total assets of ₹ 32.27 million as at March 31, 2024, the total revenues of ₹ Nil and net cash inflow of ₹ 7.51 million for the year ended on that date. The financial statements and other financial information of the Trust have been audited by the other auditor whose reports have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such other auditors. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

(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 42 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 note 60 to the standalone financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities "Intermediaries", with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company "Ultimate Beneficiaries" or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 60 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (c) Based on such 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 (a) and (b) contain any material misstatement.

   v. No dividend has been declared or paid during the year by the Company.

   vi. Based on our examination which included test checks, the Company has used two accounting software for maintaining its books of account which have 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 (i) in case of SAP software, audit trail feature is not enabled for direct changes to data when using certain access rights and (ii) in the absence of relevant information in the Service Organization Controls report, we are unable to comment on whether audit trail feature of the underlying database of the other application operated throughout the year or whether there were any instances of the audit trail feature being tampered with; as described in note 62 to the standalone financial statements. Further, no instance of audit trail feature being tampered with was noted in respect of SAP software.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 24110759BKEBAR7100

Place of Signature: Thane
Date: May 15, 2024

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Sequent Scientific Limited ("the Company")

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.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory (including inventory lying with third parties) at reasonable intervals during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and material discrepancies were not noticed in respect of such confirmations. There were no discrepancies of 10% or more in aggregate for each class of inventory noticed.

(b) As disclosed in note 59 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns / statements (including revised) filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has provided loans and stood guarantee to Companies as follows:

(₹ in Million)

Particulars	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Wholly owned subsidiaries	106.00	466.78
Balance outstanding as at balance sheet date in respect of above cases		
-Wholly owned subsidiaries	2,833.11	3,692.47

(b) During the year, the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees to Companies are not prejudicial to the Company's interest.

(c) In respect of loans granted to Companies, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.

(d) There are no amounts of loans and advances in the nature of loans granted to Companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to Companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties

(f) As disclosed in note 6 to the standalone financial statements, the Company has granted loans repayable on demand to Companies. Of these, following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	**Amount granted during the year (₹ in million)**
Aggregate amount of loans granted to related parties - Repayable on demand	386.39
Percentage of loans to the total loans	100%

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of animal health products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income- tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have not been deposited on account of any dispute, are as follow-

Name of the Statue	**Nature of the Dues**	**Amount net of pre-deposits (₹ in million)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Income Tax Act, 1961	Income Tax	25.34	AY 2013-14	Commissioner of Income Tax (Appeals)
Maharashtra Goods and Service Tax Act, 2017	Goods and Service Tax	44.04	July 2017 to March 2018	Deputy Commissioner (Appeals), Thane
Finance Act, 1994	Service Tax	0.64	April 2017 to June 2017	Deputy Commissioner (Appeals), Thane
Central Excise Act, 1944	Cenvat Credit	0.24	November 2007 to March 2012	Deputy Registrar (Appeals)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used 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. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any amount during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 48 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 52 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 52 to the standalone financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 24110759BKEBAR7100

Place of Signature: Thane
Date: May 15, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SEQUENT SCIENTIFIC LIMITED

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

We have audited the internal financial controls with reference to standalone financial statements of Sequent Scientific Limited (" the Company") as of March 31, 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A Company's internal financial controls 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 controls 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 24110759BKEBAR7100

Place of Signature: Thane
Date: May 15, 2024

Standalone Balance Sheet

as at 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Notes	As at 31 March 2024	As at 31 March 2023
A ASSETS			
I Non-current assets			
(a) Property, plant and equipment	**3.a**	352.34	451.18
(b) Right-of-use assets (ROU)	**3.b**	64.21	113.86
(c) Capital work-in-progress	**3.c**	51.44	21.98
(d) Intangible assets	**4**	8.66	2.16
(e) Financial assets			
(i) Investments			
(a) Investments in subsidiaries	**5**	6,402.92	6,324.67
(b) Other investments	**5**	0.05	0.05
(ii) Loans	**6**	3,692.47	3,225.68
(iii) Other financial assets	**7**	27.36	26.13
(f) Deferred tax assets (net)	**8**	115.92	122.30
(g) Income tax assets (net)	**9**	100.77	80.33
(h) Other non-current assets	**10**	8.04	8.24
Total non-current assets		**10,824.18**	**10,376.58**
II Current assets			
(a) Inventories	**11**	345.44	479.53
(b) Financial assets			
(i) Investments	**12**	1.13	0.46
(ii) Trade receivables	**13**	447.90	136.47
(iii) Cash and cash equivalents	**14**	9.26	0.83
(iv) Bank balances other than (iii) above	**15**	0.29	0.94
(v) Loans	**16**	0.40	0.92
(vi) Other financial assets	**17**	13.95	0.72
(c) Other current assets	**18**	149.38	130.37
Total current assets		**967.75**	**750.24**
III Assets held for sale	**3.b**	**84.03**	**100.92**
Total assets		**11,875.96**	**11,227.74**
B EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	**19**	498.86	498.86
(b) Other equity	**20**	10,373.42	10,084.76
Total equity		**10,872.28**	**10,583.62**
II Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
Lease liabilities	**21**	-	2.67
(b) Provisions	**22**	22.12	25.37
Total non-current liabilities		**22.12**	**28.04**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	**23**	464.55	190.99
(ii) Lease liabilities	**24**	3.10	9.09
(iii) Trade payables	**25**		
Total outstanding dues of micro enterprises and small enterprises		76.17	41.75
Total outstanding dues of creditors other than micro enterprises and small enterprises		308.36	325.33
(iv) Other financial liabilities	**26**	17.93	13.89
(b) Provisions	**27**	6.11	5.26
(c) Current tax liabilities (Net)	**28**	-	6.08
(d) Other current liabilities	**29**	105.34	23.69
Total current liabilities		**981.56**	**616.08**
Total liabilities		**1,003.68**	**644.12**
Total equity and liabilities		**11,875.96**	**11,227.74**
Material accounting policies	**2**		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN:02977405

Vedprakash Ragate
Additional Director
DIN:10578409

Saurav Bhala
Chief Financial Officer

Phillip Trott
Company Secretary
Membership No: F-7403

Standalone statement of profit and loss

for the period ended 31 March 2024

All amounts are in ₹ million unless otherwise stated except for earnings per share information

		Notes	Year ended 31 March 2024	Year ended 31 March 2023
I	Revenue from operations	30	1,685.18	2,226.85
II	Other income	31	459.80	282.42
III	**Total income (I+II)**		**2,144.98**	**2,509.27**
IV	**Expenses**			
	(a) Cost of materials consumed	32.a	1,025.41	1,140.72
	(b) Purchases of stock-in-trade	32.b	-	24.23
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	32.c	53.48	194.17
	(d) Employee benefits expense	33	300.49	366.59
	(e) Finance costs	34	43.61	25.13
	(f) Depreciation and amortisation expenses	35	89.40	91.15
	(g) Other expenses	36	572.44	754.84
	(h) Acquisition related cost	37	-	9.90
	Total expenses (IV)		**2,084.83**	**2,606.73**
V	**Profit / (loss) before tax and exceptional item (III-IV)**		**60.15**	**(97.46)**
VI	Exceptional items (VI)	38	(62.54)	-
VII	**Profit / (loss) before tax (V-VI)**		**(2.39)**	**(97.46)**
VIII	**Tax expense / (credits)**	40		
	(a) Current tax		-	0.20
	(b) Deferred tax		(13.20)	(30.94)
	(c) Adjustment of tax relating to earlier periods		4.59	(5.92)
	Total tax expenses / (credits)		**(8.61)**	**(36.66)**
IX	**Profit / (loss) after tax (VII-VIII)**		**6.22**	**(60.80)**
	Other comprehensive income / (expenses)			
	Items that will not be reclassified to profit or loss	20		
	(a) Re-measurements gain / (loss) on defined benefit plans		(0.49)	1.29
	(b) Fair value gain / (loss) from investment in equity instruments		0.67	(142.46)
	(c) Income tax relating to items that will not be reclassified to profit or loss		0.14	(8.16)
	(d) Deferred tax relating to items that will not be reclassified to profit or loss		-	28.80
	Total other comprehensive income / (expenses) (net of tax) (X)		**0.32**	**(120.53)**
XI	**Total comprehensive income / (expenses) for the year, net of tax (IX+X)**		**6.54**	**(181.33)**
	Earnings per equity share (face value of ₹2 each)	39		
	(1) Basic (in ₹)		0.03	(0.24)
	(2) Diluted (in ₹)		0.03	(0.24)
	Material accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN:02977405

Vedprakash Ragate
Additional Director
DIN:10578409

Saurav Bhala
Chief Financial Officer

Phillip Trott
Company Secretary
Membership No: F-7403

Standalone statement of cash flows

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Net profit/ (loss) before tax	(2.39)	(97.46)
Adjustments for:		
Depreciation and amortisation expenses	89.40	91.15
PPE written off	-	1.56
Allowance for trade receivables written back	-	(0.43)
Trade payables written back	(1.83)	(0.47)
Unrealised forex gain/ loss (net)	0.55	0.09
Finance costs	43.61	25.13
Fair value of corporate guarantee income	(1.90)	(1.90)
Interest income	(343.90)	(217.90)
(Profit) / loss on sale of PPE (net) and transfer of leasehold rights	(45.65)	-
Share-based payments to employees	74.21	114.14
Corporate guarantee commission	(16.11)	(16.23)
Exceptional items	19.74	-
Operating profit before working capital changes	**(184.27)**	**(102.32)**
Changes in working capital		
(Increase)/ Decrease in trade receivables, loans and advances and other assets	(249.19)	513.61
(Increase)/Decrease in inventories	134.09	200.41
(Increase) / Decrease in margin money and unpaid dividend accounts	0.65	(0.02)
Increase / (Decrease) in trade payables, other payables and provisions	6.73	(227.22)
Net change in working capital	**(107.72)**	**486.78**
Cash generated by operations	**(291.99)**	**384.46**
Income taxes paid (net of refunds)	22.55	(7.00)
Net cash generated from / (used in) operating activities (A)	**(269.44)**	**377.46**
Cash flows from investing activities		
Purchase of property, plant and equipment (PPE) and intangible assets	(95.39)	(88.63)
Proceeds from disposal of PPE and transfer of leasehold rights (including advances)	247.22	-
Proceeds from sale of treasury shares by SeQuent Scientific Employee Stock Option Plan Trust	59.85	-
Proceeds from sale of current investments	-	0.92
Proceeds from sale of long term investments	-	225.28
Loan given to subsidiary company	(160.00)	(645.00)
Interest received	3.02	0.43
Net cash generated from / (used in) investing activities (B)	**54.70**	**(507.00)**

Standalone statement of cash flows

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from financing activities		
Proceeds / (repayment) from short-term borrowings (net)	273.56	35.98
Payment of lease liabilities	(9.98)	(9.76)
Interest and other borrowing cost paid	(40.41)	(23.81)
Net cash generated from / (used in) financing activities (C)	**223.17**	**2.41**
Net increase in cash and cash equivalents during the year (A+B+C)	**8.43**	**(127.13)**
Cash and cash equivalents at the beginning of the year (refer note 14)	0.83	127.96
Cash and cash equivalents at the end of the year (refer note 14)	**9.26**	**0.83**

Note: The standalone statement of cash flows has been prepared under the indirect method, as set out in Ind AS 7 'Statement of Cash Flows'.

Reconciliation of liabilities arising from financing activities

For the year ended 31 March 2024	Opening Balance	Cash Flows	Non-Cash Changes	Closing Balance
Borrowings and Lease liabilities	202.75	223.17	41.73	467.65
Total liabilities from financing activities	**202.75**	**223.17**	**41.73**	**467.65**

For the year ended 31 March 2023	Opening Balance	Cash Flows	Non-Cash Changes	Closing Balance
Borrowings and Lease liabilities	168.54	2.41	31.80	202.75
Total liabilities from financing activities	**168.54**	**2.41**	**31.80**	**202.75**

Material accounting policies (Refer note 2)

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN:02977405

Vedprakash Ragate
Additional Director
DIN:10578409

Saurav Bhala
Chief Financial Officer

Phillip Trott
Company Secretary
Membership No: F-7403

Standalone statement of Changes in Equity (SOCIE)

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

(a) Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	24,94,33,495	498.87	24,83,70,995	496.74
Issued during the year	-	-	10,62,500	2.13
Balance at the end of the year	**24,94,33,495**	**498.87**	**24,94,33,495**	**498.87**

(b) Other equity

	Share application money pending allotment	Other Equity (note 20)						Reserve for equity instruments through other comprehensive income (note 20)	Total
		Capital reserve	Securities premium account	Employees stock options outstanding	General reserve	Treasury reserve	Retained earnings		
Balance as on 01 April 2022	**91.38**	**10.65**	**8,742.55**	**379.58**	**178.64**	**(57.71)**	**305.60**	**263.45**	**9,914.14**
Profit for the year	-	-	-	-	-	-	(60.80)	-	(60.80)
Other comprehensive income / (expenses) for the year, net of income tax	-	-	-	-	-	-	0.91	(121.52)	(120.61)
Total comprehensive income / (expenses) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(59.89)**	**(121.52)**	**(181.41)**
Recognition of share-based payments	-	-	-	354.12	-	-	-	-	354.12
Employee stock options issued during the year	(91.38)	-	-	(171.44)	-	-	-	-	(262.82)
Premium on exercise of options - proceeds received	-	-	260.69	-	-	-	-	-	260.69
Transfer to retained earnings on sales of quoted equity investments carried at FVTOCI	-	-	-	-	-	-	141.82	(141.81)	0.01
Balance as at 31 March 2023	**-**	**10.65**	**9,003.24**	**562.26**	**178.64**	**(57.71)**	**387.56**	**0.12**	**10,084.76**
Profit for the year	-	-	-	-	-	-	6.22	-	6.22
Other comprehensive income / (expenses) for the year, net of income tax	-	-	-	-	-	-	(0.35)	0.67	0.32
Total comprehensive income / (expenses) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**5.87**	**0.67**	**6.54**

Standalone statement of Changes in Equity (SOCIE)

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Share application money pending allotment	Other Equity (note 20)						Reserve for equity instruments through other comprehensive income (note 20)	Total
		Capital reserve	Securities premium account	Employees stock options outstanding	General reserve	Treasury reserve	Retained earnings		
Recognition of share-based payments	-	-	-	222.28	-	-	-	-	222.28
Cost of treasury shares sold during the year	-	-	-	-	-	32.99	-	-	32.99
Vested ESOP lapsed during the year transferred to general reserve	-	-	-	(11.46)	11.46	-	-	-	-
Profit on sale of Treasury Shares	-	-	-	-	-	-	26.85	-	26.85
Balance as at 31 March 2024	**-**	**10.65**	**9,003.24**	**773.08**	**190.10**	**(24.72)**	**420.28**	**0.79**	**10,373.42**

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN:02977405

Vedprakash Ragate
Additional Director
DIN:10578409

Saurav Bhala
Chief Financial Officer

Phillip Trott
Company Secretary
Membership No: F-7403

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

1. CORPORATE INFORMATION

The standalone financial statements comprise financial statements of SeQuent Scientific Limited (the "Company") (CIN L99999MH1985PLC036685) incorporated and domiciled in India and has its registered office located at 301, 3rd Floor, Dosti Pinnacle, Plot No. E7 Road No. 22, Wagle Industrial Estate, Thane (W), Maharashtra - 400604, India. The shares of the Company are publicly traded on the National Stock Exchange of India Limited and BSE Limited. The Company is a leading integrated pharmaceutical company with a global footprint, operating in the domains of Active Pharmaceutical Ingredients.

2 Material accounting policies

2.1 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements were approved for issue in accordance with a resolution of the director as on 15 May 2024.

2.2 Basis of preparation and presentation

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 period.

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. Fair value for measurement and / or disclosure purposes in these standalone financial statements is determined on such a basis, except for

- Share-based payment transaction as defined in Ind AS 102 – Share-based payment.
- Leasing transaction as defined in Ind AS 116 – Leases.
- Measurement that have some similarities to fair value but are not fair value, such as 'Net Realisable Value' as defined in Ind AS 2 – Inventories and value in use as defined in Ind AS 36- Impairment of Assets.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded to the nearest million (up to two decimals), except otherwise stated.

2.4 Summary of material accounting policies

i. Revenue from contract with customer

a) Sale of products

Revenue from sale of products is presented in the income statement within revenue from operations. The Company presents revenue net of indirect taxes in its standalone statement of profit and loss. Sale of products comprise revenue from sales of products, net of sales returns, rebates, incentives and customer discounts.

Revenue from contract with customer is recognized when the Company transfers control over the product to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Control of a product refers to the ability to direct the use of and obtain substantially all of the remaining benefits from that asset. Performance obligations are satisfied at one point in time, typically on delivery. Most of the revenue earned by the Company is derived from the satisfaction of a single performance obligation for each contract which is the sale of products

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

Sales are measured at the fair value of consideration received or receivable. The amounts of rebates / incentives is estimated and accrued on each of the underlying sales transactions recognised. Returns and customer discounts are recognized in the period in which the underlying sales are recognized based on an estimate basis. The amount of sales returns is calculated on the basis of management's best estimate of the amount of product that will ultimately be returned by customers.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the said earned consideration.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received from customer or due, whichever is earlier. Contract liabilities are recognised as revenue when the Company performs under the contract.

b) Services

Income is recognised when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

c) Export entitlements income

Export entitlements from Government authorities are recognised in the standalone statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

d) Interest and dividend 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 timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

ii. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting.

All other liabilities are classified as non-current.

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

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

iii. Foreign currency transactions and translation

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the standalone statement of profit and loss in the year in which it arises.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate 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 translated using the exchange rate at the date of the initial transaction.

Exchange difference on capital expenditure are capitalised only to the extent attributable of borrowing costs and balance is charged to the standalone statement of profit and loss.

iv. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or erection of qualifying assets are added to the cost of those assets, until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get 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 the standalone statement of profit and loss in the period in which they are incurred.

v. Employee Benefits

a) Defined Contribution Plans

The Company has defined contribution plans for post-employment benefits in the form of provident fund which is administered through Government of India. Provident fund is classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to defined contribution plans are charged to the standalone statement of profit and loss as and when employee renders related service.

b) Defined benefit plans

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

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is in the nature of defined benefit plans.

For defined benefit plans, the cost of providing benefit is determined using projected unit credit method, with actuarial valuation being carried out at the end of each financial year. Re-measurement, 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. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the standalone statement of profit and loss. Past service cost is recognised in the 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
- re-measurement gain/ (loss).

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

The Company presents the service cost of defined benefit plan in the line item 'Employee benefits expense' and the net interest expense or income in the line item ‘Finance costs' of the standalone statement of profit and loss. 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 plan.

c) Short-term employee benefits

A liability is recognised for short-term employee benefit in respect of wages and salaries, annual leave, medical and leave travel in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

d) Other employee benefits

Other employee benefits comprise of leave encashment which is provided for, based on the actuarial valuation carried out as at the end of the year. Liabilities recognised in respect of other employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

vi. Share-based compensation

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 46.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a systematic basis over the vesting period, 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 period, 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 the standalone 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.

vii. Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the standalone statement of profit and loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

a) 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 standalone 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. Provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under Income Tax Act,1961. Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognised in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss.

Minimum Alternate Tax (‘MAT') paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and asset can be measured reliably.

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.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company has considered the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment."

All amounts are in ₹ million unless otherwise stated

b) 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 and the carry forward of unused tax credits and unused tax losses 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 profit will be available to allow all or part of the deferred tax asset to be utilised.

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

viii. Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are recognised and depreciated separately.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values, using the straight-line method, over the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful life estimated on technical assessment, past trends and differ from those provided in Schedule II of the Companies Act, 2013.

Nature of the assets	**Useful life in years**
Buildings	5-30
Plant and machinery	2-15
Computers	3
Furniture and fixtures 2	16
Office Equipments	2-5
Vehicles	3-8

The estimated useful lives, residual values and depreciation method are reviewed at financial year end, with the effect of any changes in estimate are accounted for on a prospective basis.

Depreciation on additions / deletions to property, plant and equipments is provided pro rata from the month of addition / till the month of deletion.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the standalone statement of profit and loss as incurred.

c) Derecognition of property, plant and equipment

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 the standalone statement of profit and loss.

ix. Intangible assets

a) Intangible assets acquired separately

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at each financial year end, with the effect of any changes in estimate being accounted for on a prospective basis. Cost includes any directly attributable incidental expenses necessary to make the assets ready for use.

b) Internally-generated intangible asset-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 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 the standalone statement of profit and loss in the period in which it is incurred.

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.

c) Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Nature of the assets	Useful life in years
Product / process development	5
Software	3-5

d) Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the standalone statement of profit and loss as incurred.

e) 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 the standalone statement of profit and loss.

x. Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on First in First Out basis (FIFO) as follows:

(i) Raw materials, packing materials and fuel: At actual purchase cost including other cost incurred in bringing materials / consumables to their present location and condition

(ii) Work-in-progress and intermediates: At material cost, conversion costs and appropriate share of production overheads based on normal capacity

(iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads based on normal capacity

(iv) Stock-in-trade: At purchase and other costs incurred in bringing the inventories to their present location and condition

However, materials and other items held for use in production of inventory are not written down below cost, if the finished product in which they will be used are expected to be sold at or above cost.

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

xi. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits 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 each reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are not recognised but are disclosed in the notes to standalone financial statements when economic inflow is probable.

xii. Financial instruments

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

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

All financial instruments are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets recorded 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 cost directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the standalone statement of profit and loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

(b) The contractual terms of the 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 are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest rate ('EIR') method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Equity instruments at fair value through other comprehensive income (FVTOCI)

All equity instruments other than investment in subsidiaries are measured at fair value. Equity instruments held for trading is classified as fair value through profit or loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI. There is no recycling of the amount from OCI to the standalone statement of profit and loss, even on sale of the instrument. However the Company may transfer the cumulative gain or loss within the equity.

(iii) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair values with all changes in the standalone statement of profit and loss.

(iv) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or the financial assets is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new assets obtained less any new liability assumed) shall be recognised in the standalone statement of the profit and loss except for debt and equity instruments carried through FVTOCI which shall be recognised in OCI.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the EIR method.

All amounts are in ₹ million unless otherwise stated

(ii) Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL are measured at fair value with all changes recognised in the standalone statement of profit and loss.

iii) Derecognition of financial liabilities

The Company derecognises financial liabilities only when, the obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the standalone statement of profit and loss.

c) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognised and measured at fair value. Attributable transaction cost are recognised in the standalone statement of profit and loss.

xiii. Impairment

a) Financial assets

In accordance with Ind AS 109 - Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting period, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

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

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss. This amount is reflected under the head other expenses in the standalone statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivables.

ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss recognised in prior years are reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised in previous year

xiv. Earnings per share

Basic EPS is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS 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. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xv. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets (ROU)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the of the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies (xiii)(b) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

All amounts are in ₹ million unless otherwise stated

Nature of the asset	**Useful life in year**
ROU-Land	50-85
ROU- Server	5
ROU- Vehicle	4
ROU- Building	2

Company as a lessor

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised over the lease terms on the same basis as rental income.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

xvi. Cash and cash equivalents

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

xvii. Cash Dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

xviii. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All amounts are in ₹ million unless otherwise stated

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

xix. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of Financial Statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company

2.5 Use of estimates and management judgments

In application of the accounting policies, which are described in note 2.4, the management of the Company is 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 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 estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

i. Useful life of property, plant and equipment and intangible assets

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account amongst other things, 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.

ii. Impairment

An impairment loss is recognised for the amount by which an asset's / investments or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected discounted future cash flows from each asset or cash-generating unit.

iii. Deferred tax

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

iv. Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

All amounts are in ₹ million unless otherwise stated

v. Post-retirement benefit plans

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds.

vi. 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.

vii. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses black scholes model Employee Share Option Plan. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 46.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3.a Property, plant and equipment

Cost	Freehold land	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Balance as on 31 March 2022	**0.36**	**297.01**	**11.60**	**7.09**	**19.88**	**434.11**	**2.25**	**772.30**
Additions during the year	-	14.73	10.20	1.51	2.31	56.21	-	84.96
Less: Deletions during the year	-	-	1.04	-	-	0.52	-	1.56
Balance as on 31 March 2023	**0.36**	**311.74**	**20.76**	**8.60**	**22.19**	**489.80**	**2.25**	**855.70**
Additions during the year	-	10.37	0.10	-	4.00	40.75	-	55.22
Less: Assets classified as held for sale (refer note 3b)	0.36	63.78	-	-	-	-	-	64.14
Less: Deletions during the year	-	-	1.28	0.73	5.22	187.40	-	194.63
Balance as on 31 March 2024	**-**	**258.33**	**19.58**	**7.87**	**20.97**	**343.15**	**2.25**	**652.15**

Accumulated depreciation	Freehold land	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Balance as on 31 March 2022	**-**	**45.40**	**5.06**	**5.18**	**10.55**	**263.77**	**1.47**	**331.43**
Depreciation expense for the year (refer note 35)	-	14.79	2.21	0.81	3.31	52.29	0.16	73.57
Less: Deletions during the year	-	-	0.07	-	-	0.41	-	0.48
Balance as on 31 March 2023	**-**	**60.19**	**7.20**	**5.99**	**13.86**	**315.65**	**1.63**	**404.52**
Depreciation expense for the year (refer note 35)	-	15.10	3.36	1.12	3.85	54.48	0.17	78.08
Less: Assets classified as held for sale (refer note 3b)	-	20.62	-	-	-	-	-	20.62
Less: Deletions during the year	-	-	1.17	0.63	4.69	155.68	-	162.17
Balance as on 31 March 2024	**-**	**54.67**	**9.39**	**6.48**	**13.02**	**214.45**	**1.80**	**299.81**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3.a Property, plant and equipment (contd)

Carrying amount	Free-hold land	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Balance as on 31 March 2023	**0.36**	**251.55**	**13.56**	**2.61**	**8.33**	**174.15**	**0.62**	**451.18**
Balance as on 31 March 2024	**-**	**203.66**	**10.19**	**1.39**	**7.95**	**128.70**	**0.45**	**352.34**

Notes:

i) Title deeds of all the immovable properties are held in the name of the Company (refer note 42).

ii) Refer Note 23 for charge created on the assets.

iii) Refer Note 42 for capital commitments.

3.b Right-of-use assets (ROU)

Cost	Leasehold Land	ROU- Building	ROU- Server	ROU- Vehicles	Total
Balance as on 31 March 2022	**219.89**	**16.91**	**9.21**	**2.62**	**248.63**
Additions during the year	-	7.93	-	-	7.93
Less: Deletions during the year	-	1.63	-	-	1.63
Less: Assets classified as held for sale (refer note 1 below)	111.06	-	-	-	111.06
Balance as on 31 March 2023	**108.83**	**23.21**	**9.21**	**2.62**	**143.87**
Additions during the year	-	-	-	0.71	0.71
Less: Deletions during the year	-	-	-	-	-
Less: Assets classified as held for sale (refer note 2 below)	43.36	-	-	-	43.36
Balance as on 31 March 2024	**65.47**	**23.21**	**9.21**	**3.33**	**101.22**

Accumulated depreciation	Leasehold Land	ROU- Building	ROU- Server	ROU- Vehicles	Total
Balance as on 31 March 2022	**11.64**	**4.87**	**9.21**	**1.58**	**27.30**
Depreciation expense for the year (refer note 35)	3.88	8.32	-	0.65	12.85
Less: Assets classified as held for sale (refer note 1 below)	10.14	-	-	-	10.14
Balance as on 31 March 2023	**5.38**	**13.19**	**9.21**	**2.23**	**30.01**
Depreciation expense for the year (refer note 35)	1.07	7.75	-	0.68	9.50
Less: Assets classified as held for sale (refer note 2 below)	2.49	-	-	-	2.49
Balance as on 31 March 2024	**3.96**	**20.94**	**9.21**	**2.91**	**37.02**

Carrying amount	Leasehold Land	ROU- Building	ROU- Server	ROU- Vehicles	Total
Balance as on 31 March 2023	**103.45**	**10.02**	**-**	**0.39**	**113.86**
Balance as on 31 March 2024	**61.51**	**2.28**	**-**	**0.42**	**64.21**

Note:

1. The Company has recognized gain of ₹ 44.32 million for the year ended 31 March 2024 under the head "Other Income" on transfer of leasehold rights of its Ambernath land having a total carrying value of ₹ 100.92 million, which was classified as "Assets held for Sale" in the standalone financial statements as at 31 March 2023.
2. During the current year ended 31 March 2024, the Company has entered into a Memorandum of Understanding (MOU) for the transfer of leasehold rights and building at its Tarapur facility for a consideration of ₹ 115.80 million (advance of ₹ 81 million received as at 31 March 2024). The carrying value of leasehold rights (₹ 40.87 million) and freehold land and building (₹ 43.16) million has been classified as "Asset held for Sale" as at 31 March 2024.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3.c Detail of Capital work in Progress

i. Capital-work-in progress (CWIP) ageing schedule as on 31 March 2024

Project Name	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	41.47	9.97	-	-	**51.44**

ii. CWIP, whose completion is overdue as compared to its original plan as on 31 March 2024

Project Name	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	49.73	-	-	-	**49.73**

iii. Capital-work-in progress (CWIP) ageing schedule as on 31 March 2023

Project Name	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	19.54	2.17	0.27	-	**21.98**

iv. CWIP, whose completion is overdue as compared to its original plan as on 31 March 2023

Project Name	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	**-**

Note

1. There are no projects which have exceeded its cost as compared to its original plan.

4 Intangible assets

Cost	**Product / process development**	**Software**	**Total**
Balance as on 01 April 2022	**43.40**	**66.55**	**109.95**
Additions during the year	-	0.05	0.05
Less: Deletions during the year	-	-	-
Balance as on 31 March 2023	**43.40**	**66.60**	**110.00**
Additions during the year	-	8.32	8.32
Less: Deletions during the year	-	0.24	0.24
Balance as on 31 March 2024	**43.40**	**74.68**	**118.08**

Accumulated amortisation and impairment	**Product / process development**	**Software**	**Total**
Balance as on 01 April 2022	**43.40**	**59.72**	**103.12**
Amortisation expense for the year (refer note 35)	-	4.72	4.72
Less: Deletions during the year	-	-	-
Balance as on 31 March 2023	**43.40**	**64.44**	**107.84**
Amortisation expense for the year (refer note 35)	-	1.82	1.82
Less: Deletions during the year	-	0.24	0.24
Balance as on 31 March 2024	**43.40**	**66.02**	**109.42**

Carrying amount	**Product / process development**	**Software**	**Total**
Balance as on 31 March 2023	**0.00**	**2.16**	**2.16**
Balance as on 31 March 2024	**0.00**	**8.66**	**8.66**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

5 Non-current investments

		Face Value	No. of shares	As at 31 March 2024	Face Value	No. of shares	As at 31 March 2023
A	**Investments in Subsidiaries**						
a	**Unquoted equity instruments (fully paid up) carried at cost less impairment in value of investments**						
	(i) Alivira Animal Health Limited, India (refer note 1 and 2 below)	₹10.00	4,77,76,470	6,260.83	₹10.00	4,77,76,470	6,182.58
	(ii) SeQuent Research Limited	₹10.00	44,10,000	142.09	₹10.00	44,10,000	142.09
Total (A)				**6,402.92**			**6,324.67**
B	**Other Investments**						
a	**Unquoted equity instruments (fully paid up) carried at fair value through profit and loss**						
	i) Ambarnath Chemical Manufacturers Association	₹10.00	1,000	0.01	₹10.00	1,000	0.01
	ii) Tarapur Industrial Manufacturers Association	₹10.00	2,000	0.04	₹10.00	2,000	0.04
Total (B)				**0.05**			**0.05**
Total (A+B)				**6,402.97**			**6,324.72**
	Aggregate carrying value of unquoted investments (gross)			6,402.97			6,324.72
	Aggregate market value of quoted investments			-			-
	Aggregate amount of impairment in value of investments			-			-

Note:

1. Subsequent to the year end, the Company has provided guarantee and pledged 99.99% of equity shares of its subsidiary Alivira Animal Health Limited, India to secure term loan facility from Barclays Bank PLC, as per the debt restructuring process approved by the Shareholders on 07 March, 2024.
2. The change in value of investment in subsidiary Alivira Animal Health Limited, India is due to ESOP.

6 Financial assets- Loans (Non-current)

	As at 31 March 2024	Maximum balance during the year	As at 31 March 2023	Maximum balance during the year
Unsecured, considered good				
Loan to related parties (refer note 45.3)				
-Alivira Animal Health Limited, India	3,692.47	3,692.47	3,225.68	3,225.68
Total	**3,692.47**	**3,692.47**	**3,225.68**	**3,225.68**

Notes:

i) All the above loans and advances have been given for business purposes.

ii) The above disclosure is pursuant to SEBI (Listing Obligations and Disclosure Requirements) and Section 186 (4) of the Companies Act, 2013.

iii) Interest receivable for the year has been capitalized as per the terms of loan as on the reporting date and has been included in the loan receivable amount.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

6 Financial assets- Loans (Non-current) (contd)

Loans & Advances given which are repayable on demand or without specifying any terms or period of repayment to following person

Type of Borrower	Location	CIN	31 March 2024		31 March 2023	
			Amount outstanding	% of Total	Amount outstanding	% of Total
-Alivira Animal Health Limited, India	India	U74120MH2013PLC248708	3,692.47	100.00	3,225.68	100.00

7 Other non-current financial assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	27.24	26.01
Margin money deposits	0.12	0.12
Total	**27.36**	**26.13**

Note:

Balances in margin money deposits are held as security against guarantees given by bank on behalf of the company.

8 Deferred tax assets (net) (refer note 40)

	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
- Temporary differences on account of depreciation	(2.73)	1.44
Total deferred tax liability (A)	**(2.73)**	**1.44**
Deferred tax assets		
- Expenses allowable on payment basis	8.37	11.31
- Unabsorbed depreciation and carried forward of losses	29.72	30.66
- MAT credit entitlement	75.10	81.77
Deferred tax assets (B)	**113.19**	**123.74**
Total (A+B)	**115.92**	**122.30**

9 Income tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Advance income tax (net of provisions : ₹ 335.86) (31 March 2023 : ₹ 218.63)	100.77	80.33
Total	**100.77**	**80.33**

10 Other non-current assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Capital advances	2.38	-
Prepaid expenses	5.64	5.58
Balances with government authorities	0.02	2.66
Total	**8.04**	**8.24**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

11 Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials and packing materials	41.76	104.39
Goods-in transit (inward)	3.47	16.42
	45.23	**120.81**
Work-in-progress and intermediates (refer note (i) below)	132.97	175.12
Finished goods	118.09	178.57
Goods-in transit (outward)	44.14	-
	162.23	**178.57**
Stores, spares and consumables	2.84	2.70
Fuel	2.17	2.33
Total inventories (lower of cost and net realisable value)	**345.44**	**479.53**

Note:

(i) During the year ended 31 March 2024, ₹ 7.85 (31 March 2023 : (₹7.91) was recognised as an expense towards provision for slow moving inventories.

(ii) During the year ended 31 March 2024, ₹ 6.70 (31 March 2023 : ₹2.71) was recognised as an expense for inventories carried at net realisable value.

12 Current investments

		Face value	No. of shares / units	As at 31 March 2024	Face value	No. of shares / units	As at 31 March 2023
A	**Quoted equity instruments (fully paid up) carried at fair value through other comprehensive income**						
	i) Techindia Nirman Limited	₹10.00	280	- *	₹10.00	280	- *
	ii) Agritech (India) Limited	₹10.00	4,927	1.13	₹10.00	4,927	0.46
	Total (A)			**1.13**			**0.46**
B	**Other unquoted equity instruments (fully paid up) carried at fair value through other comprehensive income**						
	i) Aditya Investment & Communication Limited	₹10.00	58,800	- *	₹10.00	58,800	- *
	ii) Agrodutch Industries Limited	₹10.00	36,250	- *	₹10.00	36,250	- *
	Total (B)			**-**			**-**
	Total (A + B)			**1.13**			**0.46**
	Aggregate market value of quoted investments			1.13			0.46
	Aggregate carrying value of unquoted investments			- *			- *

*Represents amount lower than Rs 10,000

13 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	239.26	91.10
Unsecured, considered good (related party)	208.64	45.37
Unsecured, considered doubtful	0.17	0.17
	448.07	**136.64**
Impairment allowance (allowance for bad and doubtful debts)		
Less: Allowance for doubtful trade receivables	0.17	0.17
Total	**447.90**	**136.47**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

13 Trade receivables (contd)

As on 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	285.19	156.51	4.55	-	-	-	446.25
(ii) Undisputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-		-
(iv) Disputed Trade Receivables - considered good	-	-	1.82	-	-	-	1.82
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**285.19**	**156.51**	**6.37**	**-**	**-**	**-**	**448.07**

As on 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Current but no due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	112.09	24.43	-	-	-	-	136.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.10	0.02	0.12
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk.	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**112.09**	**24.43**	**-**	**-**	**0.10**	**0.02**	**136.64**

Note:

1. There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.
2. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
3. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member except disclosed in note 45.3
4. Refer note 50.3 for terms and other details.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

14 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- In current accounts	9.26	0.83
Cash on hand	-	-
Total	**9.26**	**0.83**
Cash and cash equivalents as defined in Ind AS 7 "Statements of Cash Flows	**9.26**	**0.83**

15 Bank balances other than note 14 above

	As at 31 March 2024	As at 31 March 2023
In earmarked accounts		
- Unpaid dividend accounts	0.29	0.29
- Margin money deposits (refer note below)	-	0.65
Total	**0.29**	**0.94**

Note:

Balances in margin money deposits are held as security against borrowings,guarantees and other commitments.

16 Financial assets-loan (current)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Loan to employees	0.40	0.92
Total	**0.40**	**0.92**

17 Other current financial assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Claims receivable	0.33	0.64
Others receivable*	13.60	0.05
Interest accrued on fixed deposits	0.02	0.03
Total	**13.95**	**0.72**

* Others receivable includes receivable in respect of sale of property, plant and equipment during the current year.

18 Other current assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Advance to suppliers	11.95	9.40
Balances with government authorities	123.01	111.74
Prepaid expenses	14.42	9.23
Total	**149.38**	**130.37**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

19 Share capital

	No. of shares	As at 31 March 2024	No. of shares	As at 31 March 2023
(a) Authorised				
Equity shares of ₹2 each	40,00,00,000	800.00	40,00,00,000	800.00
(b) Issued, subscribed and fully paid-up				
Equity shares of ₹2 each	24,94,33,495	498.86	24,94,33,495	498.86
Total		**498.86**		**498.86**

Notes:

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

	No. of shares	Amount
Fully paid equity shares		
Balance as on 31 March 2022	**24,83,70,995**	**496.73**
Shares issued during the year	10,62,500	2.13
Balance as on 31 March 2023	**24,94,33,495**	**498.86**
Shares issued during the year	-	-
Balance as on 31 March 2024	**24,94,33,495**	**498.86**

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. The dividend proposed by board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
CA Harbor Investments	13,16,80,103	52.79%	13,16,80,103	52.79%

(iv) Disclosure of shareholding of the Promoters

Name of the Promoter	As at 31 March 2024			As at 31 March 2023		
	No of shares	% of total Shares	% Change during the year	No of shares	% of total Shares	% Change during the year
CA Harbor Investments	13,16,80,103	52.79%	0.00%	13,16,80,103	52.79%	0.00%

(v) 4,12,250 shares of ₹2 each (as at 31 March 2023 :9,62,250 shares) are reserved towards outstanding employee stock options granted / available for grant.

20 Other equity

	As at 31 March 2024	As at 31 March 2023
Other reserves		
Capital reserve	10.65	10.65
Securities premium account	9,003.24	9,003.24
Share options outstanding account	773.08	562.26
General reserve	190.10	178.64

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

20 Other equity (contd)

		As at 31 March 2024	As at 31 March 2023
Retained earnings		420.28	387.56
Reserve for equity instruments through other comprehensive income		0.79	0.12
Treasury reserve		(24.72)	(57.71)
Total		**10,373.42**	**10,084.76**
(a)	**Capital reserve**	**10.65**	**10.65**
(b)	**Securities premium account**		
	Balance at the beginning of the year	9,003.24	8,742.55
	Add: Premium on exercise of options - proceeds received	-	260.69
	Balance at the end of the year	**9,003.24**	**9,003.24**
(c)	**Share options outstanding account**		
	Balance at the beginning of the year	562.26	379.58
	Add: Employee stock option expenses for company and its subsidiaries	222.28	354.12
	Add: Fresh issue of shares	-	(171.44)
	Less: Transferred to general reserve on vested options lapsed during the year	(11.46)	-
	Balance at the end of the year	**773.08**	**562.26**
(d)	**General reserve**		
	Balance at the beginning of the year	178.64	178.64
	Add: Vested options lapsed during the year	11.46	-
	Balance at the end of the year	**190.10**	**178.64**
(e)	**Retained earnings**		
	Balance at the beginning of the year	387.56	305.60
	Add: Profit for the year	6.22	(60.80)
	Add / (less): Other comprehensive income/(expenses) arising from remeasurement of defined benefit obligations, net of income tax	(0.35)	0.91
	Add: Transfer from Reserve for equity instruments through other comprehensive income on sale of quoted equity instruments carried at FVTOCI (fair value through other comprehensive income)	-	141.82
	Add: Profit on sale of treasury shares by SeQuent Scientific Employee Stock Option Plan Trust*	26.85	-
	Balance at the end of the year	**420.28**	**387.56**
(f)	**Reserve for equity instruments through other comprehensive income**		
	Balance at the beginning of the year	0.12	263.45
	Add / less: Net fair value gain/ (loss) on investment in equity instruments at FVTOCI	0.67	(142.54)
	Less: Transfer to retained earnings on sales of quoted equity investments carried at FVTOCI	-	(141.81)
	Less: Income tax relating to items that will not be reclassified to profit or loss	-	(7.78)
	Less: Deferred tax relating to items that will not be reclassified to profit or loss	-	28.80
	Balance at the end of the year	**0.79**	**0.12**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

20 Other equity (contd)

		As at 31 March 2024	As at 31 March 2023
(g)	**Treasury reserve**		
	Balance at the beginning of the year	(57.71)	(57.71)
	Less: Cost of treasury shares sold during the year	32.99	-
	Balance at the end of the year	**(24.72)**	**(57.71)**

Note:

Profit and tax on sale of treasury shares	
Sales consideration	62.84
Less: Cost of treasury shares sold	32.99
Profit on sale of treasury shares	29.85
Tax on above profit	(3.00)

Nature and purpose of Reserves

(a) Capital reserve

Capital reserves pertains to amalgamation of subsidiary company.

(b) Securities premium account

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued. The reserves can be utilized only for limited purposes such as issuance of bonus shares in accordnace with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

This relate to shares granted to the employees of the Company and its subsidiaries.

(d) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(e) Retained earnings

Retained earnings are the profits / (loss) that the Company has earned / incurred till date, less any transfers to general reserve and dividends or other distributions paid to shareholders.

(f) Reserve for equity instruments through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains (net of losses) arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

(g) Treasury reserve

Treasury reserve represents the shares of the Company held by SeQuent Scientific Employee Stock Option Plan Trust.

All amounts are in ₹ million unless otherwise stated

21 Non current lease liabilities

	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 47)	-	2.67
Total	**-**	**2.67**

22 Non-current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 41)	16.80	17.52
Compensated absences (refer note below)	5.32	7.85
Total	**22.12**	**25.37**

Note:

The provision for compensated absences includes annual leave and vested long service leave entitlement accrued.

23 Current borrowings

	As at 31 March 2024	As at 31 March 2023
Loans repayable on demand		
Secured loan - at amortised cost		
From banks (refer notes below)	464.55	190.99
Total	**464.55**	**190.99**

Notes:

(i) Working capital loan from banks in the Company are secured by a exclusive charge on current assets of the Company and by unconditional & irrevocable guarantee from it's wholly-owned-subsidiary Alivira Animal Health Limited, India.

(ii) Refer Note 25 on disclosures related to financing arrangements with financial institutions in respect of payments to certain suppliers of the Company.

(iii) The interest on Working Capital loans are floating in nature which ranges from 9.00% to 9.70% per annum. (31 March 2023: 5.70% to 9.00% per annum).

(iv) There has been no breach of covenants attached to the borrowings as at 31 March 2024.

24 Lease liabilities

	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 47)	3.10	9.09
Total	**3.10**	**9.09**

25 Trade payables

	As at 31 March 2024	As at 31 March 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 43)	76.17	41.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	308.36	325.33
	384.53	**367.08**
Trade payables	384.53	367.05
Trade payables to related parties	-	0.03
Total	**384.53**	**367.08**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

25 Trade payables (contd)

As on 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade payables-micro enterprises and small enterprises	-	76.17	-	-	-	-	76.17
(ii) Undisputed Trade payables-Others	23.22	212.64	18.43	34.51	6.54	11.08	306.42
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Trade Payables - micro enterprises and small enterprises	-	-	-	-	-	-	-
(v) Disputed dues - Others	-	-	-	0.96	0.98	-	1.94
Total	**23.22**	**288.81**	**18.43**	**35.47**	**7.52**	**11.08**	**384.53**

As on 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade payables-micro enterprises and small enterprises	-	37.30	4.45	-	-	-	41.75
(ii) Undisputed Trade payables-Others	19.65	183.97	115.97	1.99	1.07	0.74	323.39
(iii) Disputed dues - MSME		-	-	-	-	-	-
(iv) Disputed Trade Payables - micro enterprises and small enterprises	-	-	-	-	-	-	-
(v) Disputed dues - Others	-	-	0.96	0.98	-	-	1.94
Total	**19.65**	**221.27**	**121.38**	**2.97**	**1.07**	**0.74**	**367.08**

Notes:

(i) Trade payables (other than due to micro, small and medium enterprises) are non-interest bearing and are normally settled in 90 - 120 days.

(ii) The Company's exposures to currency and liquidity risks related to trade payables is disclosed in note 50.

(iii) Refer note 45.3 for dues payable to related parties.

(iv) The Company has entered into an agreement with financial institutions for the supply chain financing arrangement. As per the arrangement, the suppliers may elect to factor their receivable from the Company and receive the payment due from the financial institutions before the due date. As per the arrangement, the financial institutions agrees to pay amounts which Company owes to it's suppliers and the Company agrees to pay the financial institutions at a date later than suppliers are paid.

The nature and function of the liabilities remain the same even after factoring as the Company is neither legally released from its original obligation to the supplier nor the terms of the original liability are amended in a way that is considered a substantial modification. Hence, the Company has not derecognised the liabilities which are factored by the suppliers and disclosed the said amount within trade payables. Further, no additional interest has been paid by the Company on the amounts due to the suppliers. The payable under supply chain financing arrangement amounts to ₹ 119.78 million as at 31 March 2024 (31 March 2023: ₹ 69.25 million).

Apart from the above, the Company has also entered into arrangements wherein the financial institutions to smoothen the payment process of the suppliers, wherein the Company requests the financial institutions to make payments on the due date agreed with the suppliers and the Company pays to the financial institutions at the end of the extended period of payment. In this case, the Company derecognizes the liabilities towards the suppliers on the date of payment by the financial institutions to the suppliers and recognizes the amounts paid within Borrowings. During the year ended 31 March 2024, the Company has recognized interest expense amounting to ₹ 10.75 million under the aforementioned arrangement. The payable to the financial institution amounts to ₹ 152.69 million under this arrangement which has been recognized under "Short Term Borrowings" in the financial statements as at 31 March 2024.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

26 Other current financial liabilities

	As at 31 March 2024	As at 31 March 2023
Unclaimed dividends	0.29	0.29
Payables on purchase of property, plant and equipment	10.62	7.79
Interest accrued but not due on borrowings	2.24	2.03
Payables for Interest on MSME	4.78	3.78
Total	**17.93**	**13.89**

27 Current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer note 41)	2.87	2.44
Compensated absences	3.24	2.82
Total	**6.11**	**5.26**

28 Current tax liabilities (net)

	As at 31 March 2024	As at 31 March 2023
Provision for tax (net of advance tax) : ₹ Nil (31 March 2023 : ₹86.35)	-	6.08
Total	**-**	**6.08**

29 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory remittances	7.77	8.83
Advance from customers	5.56	0.72
Corporate guarantee liability	11.01	4.14
Advances against assets classified as held for sale (refer note 3b (2))	81.00	10.00
Total	**105.34**	**23.69**

30 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products (refer note below)	1,577.13	2,122.59
Other operating revenues		
Processing and conversion charges (refer note 45.2)	102.60	98.51
Duty drawback and other export incentives	3.91	3.57
Sale of scrap	1.54	2.10
Other Operating Income	-	0.08
Total	**1,685.18**	**2,226.85**

		Year ended 31 March 2024	Year ended 31 March 2023
(i)	**Sale of products comprises:**		
	(a) Manufactured goods		
	Bulk drugs	1,577.13	2,098.42
	Total- Sale of manufactured goods	**1,577.13**	**2,098.42**
	(b) Traded goods		

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

30 Revenue from operations (contd)

Bulk drugs	-	10.26
Chemicals	-	13.91
Total- Sale of traded goods	**-**	**24.17**
Total- Sale of products	**1,577.13**	**2,122.59**
(ii) Trade receivables and Contract Balances		
The Company classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue for revenue contracts are recognized at a point in time when the Company transfers control over the product to the customer.		
(iii) Contract Balances:		
Trade receivables (refer note 13)	447.90	136.47
Contract liabilities (refer note 29)	5.56	0.72
	442.34	**135.75**
Contract liabilities include short-term advances received from customers for sale of products.		
(iv) Reconciliation of revenue from sale of products with the contracted price:		
Contracted price	1,616.43	2,147.55
Less: trade discounts and sales returns	39.30	24.96
Sale of products	**1,577.13**	**2,122.59**
(v) Timing of revenue recognition:		
Revenue recognized at a point of time	1,577.13	2,122.59
Revenue recognized over the time	-	-
Revenue from contract with customer	**1,577.13**	**2,122.59**

31 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income (refer note (i) below)	343.90	217.90
Profit on sale of PPE (net) and transfer of leasehold rights (refer note 3b)	45.65	-
Other non-operating income (refer note (ii) below)	67.06	62.62
Net gain on foreign currency transactions and translation	1.29	-
Fair value of corporate guarantee income *	1.90	1.90
Total	**459.80**	**282.42**
(i) Interest income comprises:		
Interest on:		
Bank deposits	0.01	0.05
Loans to subsidiary companies (refer note 45.2)	340.87	217.47
Others	3.01	0.38
Total	**343.89**	**217.90**
(ii) Other non-operating income comprises:		
Rental income (refer note 45.2)	10.46	9.94
Guarantee commission (refer note 45.2)*	16.11	16.23
Miscellaneous income	2.05	0.09
Corporate cross charge (refer note 45.2)	38.44	36.36
Total	**67.06**	**62.62**

* Fair value of corporate guarantee represents income on guarantee provided to a subsidiary Company

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

32.a Cost of materials consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock (including in-transit)	120.81	129.49
Add: Purchases	949.83	1,132.04
Less: Closing stock (including in-transit)	45.23	120.81
Total	**1,025.41**	**1,140.72**
Materials consumed comprises:		
Solvents	179.94	194.31
Chemicals	845.47	946.41
Total	**1,025.41**	**1,140.72**

32.b Purchases of stock-in-trade

	Year ended 31 March 2024	Year ended 31 March 2023
Purchases of stock-in-trade	-	24.23
Total	**-**	**24.23**
Purchases of stock-in-trade comprises:		
Bulk drugs	-	8.30
Chemicals	-	15.93
Total	**-**	**24.23**

32.c Changes in inventories of finished goods and work-in-progress

	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock (including in-transit)		
Work-in-progress and intermediates	175.12	286.89
Finished goods	178.57	260.97
	353.69	**547.86**
Closing stock (including in-transit)		
Work-in-progress and intermediates	132.97	175.12
Finished goods	167.24	178.57
	300.21	**353.69**
Net increase/ (decrease)	**53.48**	**194.17**

33 Employee benefit expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and allowances	201.72	226.19
Contributions to provident fund, gratuity and other funds (refer note 41)	17.64	18.64
Share-based payments to employees (refer note 46)	74.21	114.14
Staff welfare expenses	6.92	7.62
Total	**300.49**	**366.59**

34 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	37.73	18.19
Other borrowing costs	5.27	6.06
Interest expense on leases liabilities (refer note 47)	0.61	0.88
Total	**43.61**	**25.13**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

35 Depreciation and amortisation expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property,plant and equipment (refer note 3a)	78.08	73.57
Depreciation on Right of use assets (refer note 3b)	9.50	12.86
Amortisation on intangible assets (refer note 4)	1.82	4.72
Total	**89.40**	**91.15**

36 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Power, water and fuel	128.89	139.31
Consumables	20.85	35.40
Conversion and processing charges	133.33	257.71
Freight and forwarding	10.87	16.88
Rent	1.31	2.39
Rates and taxes	3.46	2.79
Communication expenses	2.80	3.60
Repairs and maintenance		
Building	13.14	29.82
Machinery	20.11	28.84
Others	25.17	32.82
Legal and professional fees	79.49	90.82
Insurance	18.90	23.13
Subscription and annual maintenance charges	30.56	30.06
Travelling and conveyance	5.92	6.57
Advertisement and selling expenses	2.82	0.22
Commission on sales	1.84	1.36
Payments to auditors (refer note (i) below)	9.28	8.67
Analytical charges	11.35	8.41
CSR expenses (refer note 52)	2.86	4.63
Allowances for doubtful trade receivables	-	(0.43)
Property, plant and equipment written off	-	1.07
Others	49.49	30.73
Total	**572.44**	**754.84**

Note:

(i) Payments to the auditors comprises (net of Goods and Services Tax):

	Year ended 31 March 2024	Year ended 31 March 2023
As auditors - statutory audit (including fees for undertaking limited reviews)	8.60	8.55
Fee for certification and other services	0.07	0.04
Reimbursement of expenses	0.61	0.08
Total	**9.28**	**8.67**

All amounts are in ₹ million unless otherwise stated

37 Acquisition related cost

	Year ended 31 March 2024	Year ended 31 March 2023
Acquisition Cost of Tineta Pharma Private Limited	-	9.90
	-	**9.90**

38 Exceptional Items

	Year ended 31 March 2024	Year ended 31 March 2023
Expenses related to closure of Tarapur manufacturing facility and operations restructuring drive	62.54	-
Total	**62.54**	**-**

Note:

During the year ended 31 March 2024, the Company decided to restructure the operations by closing one of its API manufacturing facility at MIDC, Tarapur, Maharashtra and relocated its sourcing from new facilities. Further, as part of operations restructuring drive, the Company has revamped the manufacturing and procurement processes at its API manufacturing facilities in India with the objective of network optimization and cost reduction. In this regard, the Company has incurred the following non-recurring expenses;

(a) Domain expert advisory fees towards revamping of manufacturing and procurement processes estimating to ₹34.22 millions.

(b) Provision for diminution in value of immovable assets at Tarapur manufacturing facility aggregating to ₹19.74 millions

(c) Settlement payment to the employees at Tarapur manufacturing facility aggregating to ₹8.58 millions.

39 Earnings per share

Profit attributable to equity shareholders

	Year ended 31 March 2024	Year ended 31 March 2023
Profit for the year attributable to equity holders of the Company	6.22	(60.80)
Profit attributable to equity shareholders for basic and diluted earnings	**6.22**	**(60.80)**

Weighted average number of equity shares

	Year ended 31 March 2024	Year ended 31 March 2023
Equity shares at beginning of the year	24,94,33,495	24,83,70,995
Weighted average no. of shares issued during the year	-	10,62,500
Weighted average effect of treasury shares	-8,08,971	-9,62,250
Weighted average number of equity shares at end of the year for basic EPS	**24,86,24,524**	**24,84,71,245**
Share options	12,58,285	16,43,156
Weighted average number of equity shares at end of the year for diluted EPS	**24,98,82,809**	**25,01,14,401**

	Year ended 31 March 2024	Year ended 31 March 2023
Basic earnings per share (in ₹)	0.03	(0.24)
Diluted earnings per share (in ₹)	0.03	(0.24)

As the share options have an anti-dilutive effect on diliuted EPS, basic EPS has been considered as diluted EPS.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

40 Reconciliations of tax expenses and details of deferred tax balances

A) Income tax expense recognised in the standalone statement of profit and loss

	Year ended 31 March 2024	Year ended 31 March 2023
i) Income tax expense recognised in the standalone statement of profit and loss		
Current tax	-	0.20
Adjustment of income tax relating to earlier periods	4.59	(5.92)
Total (I)	**4.59**	**(5.72)**
Deferred tax charge/ (credit)		
Origination and reversal of temporary differences	(13.20)	(30.94)
Total (II)	**(13.20)**	**(30.94)**
Total (III = I+II)	**(8.61)**	**(36.66)**
ii) Tax on other comprehensive income		
Re-measurement (gains) / losses on defined benefit plans	(0.49)	-
Income tax relating to items that will not be reclassified to profit or loss	(0.14)	8.16
Deferred tax relating to items that will not be reclassified to profit or loss	-	(28.80)
Total (IV)	**(0.63)**	**(20.64)**
Total (III+IV)	**(9.24)**	**(57.30)**

B) Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	**(2.39)**	**(97.46)**
Statutory income tax rate	29.12%	29.12%
Tax as per applicable tax rate	**(0.70)**	**(28.38)**
Differences due to:		
- Provision for tax of earlier years written back	4.59	(5.92)
- Capital loss not recognized in respect of gain on transfer of leasehold rights	(12.84)	-
- Others	0.34	(2.36)
Income tax expenses charged to the standalone statement of profit and loss	**(8.61)**	**(36.66)**
Effective tax rate	**360.34%**	**37.62%**

During the previous years the Company has recognised MAT credit entitlement which is expected to be available for set off in the future years.

All amounts are in ₹ million unless otherwise stated

40 Reconciliations of tax expenses and details of deferred tax balances (contd)

C) Movement in deferred tax assets and liabilities

	As at 01 April 2023	Credit / (charge) in the statement of profit and loss	Credit / (charge) in statement of profit and loss (disclosed under adjustment of tax relating to earlier periods)	Credit / (charge) in other compre-hensive income	As at 31 March 2024
Deferred tax asset (net)					
- Temporary differences on account of depreciation	(1.44)	4.17	-	-	2.73
- Expenses allowable on payment basis	11.31	(3.08)	-	0.14	8.37
- Carried forward of losses	30.66	10.99	(11.93)	-	29.72
- Temporary disallowance on account of provisions	-	1.11	-	-	1.11
- MAT credit entitlement	81.77	-	(7.78)	-	73.99
Total	**122.30**	**13.20**	**(19.71)**	**0.14**	**115.92**

	As at 01 April 2022	Credit / (charge) in the statement of profit and loss	Credit / (charge) in statement of profit and loss (disclosed under adjustment of tax relating to earlier periods)	Credit / (charge) in other compre-hensive income	As at 31 March 2023
Deferred tax asset (net)					
- Temporary differences on account of depreciation	(1.77)	0.33	-	-	(1.44)
- Expenses allowable on payment basis	11.74	(0.05)	-	(0.38)	11.31
- Carried forward of losses	-	30.66	-	-	30.66
	(21.02)	-	-	21.02	-
- Temporary differences on quoted equity instruments valued at fair value	-	2.63	-	-	2.63
- MAT credit entitlement	71.36	-	-	7.78	79.14
Total	**60.31**	**33.57**	**-**	**28.42**	**122.30**

(D) The Company has not opted for section 115BAA introduced under Taxation Law (Amendment) Ordinance, 2019, considering the accumulated MAT credit and other benefits available under the Income Tax Act, 1961.

41 Employee benefit plans

(i) Defined contribution plans:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 13.01 (31 March 2023 : ₹ 13.70) for Provident Fund contributions and ₹ 1.48 (31 March 2023 : ₹1.74) for Employee State Insurance Scheme contributions in the standalone statement of profit and loss. As at 31 March 2024, contribution of ₹2.08 (31 March 2023 : ₹ 2.20) is outstanding which is paid subsequent to the end of respective reporting periods.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

41 Employee benefit plans (contd)

(ii) Defined benefit plans:

The Company has a defined Gratuity benefit plan. Gratuity is payable to all eligible employees of the Company on superannuation, death and resignation. The following table summarises the components of net employee benefit expenses recognised in the standalone statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

	Year ended 31 March 2024	Year ended 31 March 2023
Expense / (income) recognised in the statement of profit and loss:		
Current service cost	3.15	3.20
Net interest cost	1.38	1.32
Component of defined benefit costs recognised in the statement of profit and loss	**4.53**	**4.52**
Expense / (income) recognised in other comprehensive income:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	(0.31)
Actuarial (gains) / losses arising from change in financial assumptions	0.16	(0.65)
Actuarial (gains) / losses arising from experience adjustment	0.32	(0.48)
Components of defined benefit costs recognised in other comprehensive income	**0.48**	**(1.44)**
Total	**5.01**	**3.08**

The current service cost is included in 'Employee benefit expenses' and net interest cost is included in the 'Finance costs' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Net defined benefit obligation as reflected in balance sheet:

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation (DBO)	19.68	19.98
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**19.68**	**19.98**

A. Movements in the present value of the defined benefit obligation are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Opening defined benefit obligation	19.98	22.69
Current service cost	3.15	3.20
Net Interest cost	1.38	1.32
Benefits paid	(5.31)	(5.79)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	(0.31)
Actuarial (gains) / losses arising from changes in financial assumptions	0.16	(0.65)
Actuarial (gains) / losses arising from changes in experience adjustment	0.32	(0.48)
Closing defined benefit obligation	**19.68**	**19.98**

Actuarial assumptions

The principal assumptions used for the purpose of actuarial valuations are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

41 Employee benefit plans (contd)

	Year ended 31 March 2024	Year ended 31 March 2023
Financial assumption:		
Discount rate	7.19%	7.36%
Salary escalation rate	7.00%	7.00%
Demographic assumption:		
Withdrawal rate	15.00%	15.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	58 yrs	58 yrs

The rate used to discount post-employment benefit obligation (both funded and unfunded) is determined by reference to market yields at the end of each reporting period on government bonds.

	Year ended 31 March 2024	Year ended 31 March 2023
Expected future cash flows		
Within 1 Year	2.87	2.44
2-5 years	11.31	11.51
6-10 years	7.86	8.75

Average expected future working life is 6.16 years (previous year 6.21 years)

Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

	Impact on the defined benefit obligation	
31 March 2024	**100 bps increase**	**100 bps decrease**
Discounting rate	(0.94)	1.00
Salary escalation rate	1.00	(0.95)
31 March 2023	**100 bps increase**	**100 bps decrease**
Discounting rate	(1.00)	1.05
Salary escalation rate	1.05	(1.01)

42 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2024	As at 31 March 2023
Contingent liabilities		
Indirect tax matters	0.12	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
- Property, plant and equipment	11.25	36.00
Corporate Guarantee given to lenders for loan facility availed by wholly owned subsidiary	2,833.11	2,627.11

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

43 Dues to micro and small enterprises (refer note 25)

	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount payable to micro and small enterprises	76.17	41.75
Interest due on above	-	0.27
	76.17	**42.01**
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.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	1.01	1.02
The amount of interest accrued and remaining unpaid at the end of each accounting year.	4.78	3.78
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 section 23 of the MSMED Act 2006.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management based on enquiries made by the Management with the creditors which have been relied upon by the auditors.

44 Segment Reporting

The Company has presented segment information in its Consolidated Financial Statements, which are part of the same annual report. Accordingly, in terms of provisions of Accounting Standard on Segment Reporting (Ind AS 108), no disclosure related to the segment are presented in these Standalone Financial Statements.

45 Related party transactions

45.1 List of related parties

(I) Related parties where control exists

(a) Holding Company

CA Harbor Investments

(b) Subsidiaries

Wholly-owned subsidiaries:

Alivira Animal Health Limited, India

SeQuent Research Limited

Step down subsidiaries:

Alivira Animal Health Limited, Ireland

Provet Veteriner Ürünleri San. Ve Tic. A. Ş.

Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.

Fendigo SA

Fendigo BV

N-Vet AB

Alivira Saude Animal Brasil Participacoes Ltda

Alivira Saude Animal Ltda.

All amounts are in ₹ million unless otherwise stated

45 Related party transactions (contd)

Vila Viña Participacions S.L.

Laboratorios Karizoo, S.A.

Laboratorios Karizoo, S.A. DE C.V. (Mexico)

Comercial Vila Veterinaria De Lleida S.L.

Phytotherapic Solutions S.L

Alivira France S.A.S (upto 24 March 2024)

Bremer Pharma GmbH

Evanvet Distribuidora De Produtos Veterinarios Ltda

Alivira Italia S.R.L.

Alivira Animal Health USA LLC

Alivira Animal Health UK Ltd

(II) Other related parties with whom transactions have taken place during the year

(a) Key management personnel

Mr. Manish Gupta, Chief Executive Officer & Managing Director (till 10 April 2022)

Mr. Rajaram Narayanan,Chief Executive Officer & Managing Director (w.e.f. 11 April 2022)

Mr. Sharat Narasapur, Joint Managing Director (till 30 April 2024)

Mr. Tushar Mistry, Chief Financial Officer (till 31 May 2022)

Mr. Rahul Mukim, Non-Executive Director (till 06 December 2022)

Mr. P.V. Raghavendra Rao, Chief Financial Officer (w.e.f. 25 July 2022 till 25 October 2023)

Mr. Saurav Bhala, Chief Financial Officer (w.e.f. 06 November 2023)

Mr. Krunal Shah, Company Secretary (till 15 February 2024)

Mr. Philip Trott, Company Secretary (w.e.f. 16 February 2024)

Dr. Kamal K Sharma, Independent Director

Mr. Milind Sarwate, Independent Director

Mr. Neeraj Bharadwaj, Non-Executive Director

Mr. Gregory Andrews John, Non-Executive Director

Dr. Fabian Kausche, Non-Executive Director

Mr. Hari Babu Bodepudi, Non-Executive Director (w.e.f. 07 August 2023)

Dr. Kausalya Santhanam, Independent Director

Note: All the transactions entered with related parties are in the ordinary course of business and on arm's length basis

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

45.2 Transactions for the year

The following table provides transactions that have been entered into with related parties for the relevant financial year:

	Wholly owned subsidiaries		Step down subsidiaries		Key management personnel	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Sale of materials / services						
Alivira Animal Health Limited, India	815.59	1,359.64				
Alivira Saude Animal Ltda.			-	10.26		
Sale of machinery / assets						
Alivira Animal Health Limited, India	2.67	-				
Interest and other income						
Alivira Animal Health Limited, India (*)	340.87	217.47				
Purchase of material						
Alivira Animal Health Limited, India	14.30	27.68				
Purchase of import license						
Alivira Animal Health Limited, India	1.22	1.26				
Purchase of machinery / assets						
SeQuent Research Limited	2.52	0.05				
Managerial remuneration (**) (excluding costs relating to post employment benefits)						
Mr. Manish Gupta						
Short-term benefits					-	0.69
Termination benefits					-	8.33
Share-based payments					-	-
Total					**-**	**9.02**
Mr. Rajaram Narayanan (#)						
Short-term benefits					31.18	29.44
Mr. Tushar Mistry						
Short-term benefits					-	1.43
Termination benefits					-	2.58
Share-based payments					-	-
Total					**-**	**4.01**
Mr. P.V. Raghavendra Rao (#)						
Short-term benefits					7.80	8.23
Termination benefits					0.54	-
Total					**8.34**	**8.23**
Mr. Saurav Bhala (##)						
Short-term benefits					6.52	-
Mr. Krunal Shah (#)						
Short-term benefits					1.87	1.80
Mr. Philip Trott						
Short-term benefits					0.89	-
Directors Sitting Fees						
Dr. Kausalya Santhanam					0.90	1.00
Dr. Kamal K Sharma					2.00	1.70

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

45 Related party transactions (contd)

	Wholly owned subsidiaries		Step down subsidiaries		Key management personnel	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Mr. Milind Sarwate					2.10	1.80
Mr. Gregory Andrews John					0.60	0.50
Dr. Fabian Kausche					0.50	0.50
Mr. Hari Babu Bodepudi					0.40	-
Corporate cross charge income						
Alivira Animal Health Limited, India	33.95	32.62				
SeQuent Research Limited	4.50	3.74				
Corporate cross charge Expenses						
Alivira Animal Health Limited, India	43.50	43.96				
Reimbursement of expenses From/ (To)						
Alivira Animal Health Limited, India	0.66	-				
Analytical charges						
SeQuent Research Limited	7.16	5.97				
Processing and conversion charges received						
Alivira Animal Health Limited, India	102.60	98.51				
Investment during the year						
Alivira Animal Health Limited, India (***)	78.25	107.75				
Rental income						
Alivira Animal Health Limited, India	10.46	9.94				

(*) Interest income for the year is receivable as on the reporting date and has been included in the loan receivable amount.

(**) Expenses towards gratuity and compensated absences provisions are determined actuarially on an overall company basis at the end of each year and accordingly have not been considered in the above information.

(***) On account of ESOP issued and lapsed to the employees of subsidiary company and guarantee given on behalf on subsidiary company.

(#) The managerial remuneration is recommended in the Nomination and Remuneration Committee meeting on 12 May, 2023 and approved by the board of directors on 23 May, 2023.

(##) The managerial remuneration is recommended in the Nomination and Remuneration Committee meeting on 31 October, 2023 and approved by the board of directors on 31 January, 2024.

	Wholly owned subsidiaries		Step down subsidiaries		Key management personnel	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Loans given to Company						
Alivira Animal Health Limited, India	160.00	645.00				
Commission on corporate guarantee given for loan facility						
Alivira Animal Health Limited, India	15.74	16.23				
SeQuent Research Limited	0.36	-				

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

45 Related party transactions (contd)

	Wholly owned subsidiaries		Step down subsidiaries		Key management personnel	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Commission on corporate guarantee received for loan facility						
Alivira Animal Health Limited, India	1.90	1.90				
Additional / (reduction) of guarantee given during the year (net)						
Alivira Animal Health Limited, India	106.00	175.39				
ESOP given to employees of Subsidiary company						
Alivira Animal Health Limited, India	92.80	148.40				

45.3 Balance as at Balance Sheet date

	Wholly owned subsidiaries		Step down subsidiaries		Key management personnel	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Trade receivables						
SeQuent Research Limited	0.45	0.11				
Alivira Animal Health Limited, India	208.19	45.23				
Loans receivable						
Alivira Animal Health Limited, India	3,692.47	3,225.68				
Corporate Guarantee given to lender for loan facility						
Alivira Animal Health Limited, India	2,733.11	2,627.11				
SeQuent Research Limited	100.00	-				
Corporate Guarantee received for loan facility						
Alivira Animal Health Limited, India	380.00	380.00				

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

46 Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Company implemented "SeQuent Scientific Employees Stock Option Plan 2010" (SeQuent ESOP 2010), as approved by the Shareholders of the Company on 24 May 2010 and it was further modified by the members on 24 September 2015. Further the company has implemented "SeQuent Scientific Employees Stock Option Plan 2020" (SeQuent ESOP 2020) as approved by shareholders on 17 January 2021 which was subsequently amended in the Annual General Meeting held on 30 August, 2023 as approved by the shareholders.

Employees Stock Option Plan:

Grant Date	No. of Options	Vesting conditions	Contractual life of the options vesting period
30 May 2013 (*)	27,00,000	The options granted would normally vest over a maximum period of 4 years from the date of the grant in proportions specified in 'SeQuent ESOP 2010' scheme.	5 years
12 February 2014 (*)	5,00,000		
28 May 2014 (*)	9,00,000		
12 November 2014 (*)	10,00,000		
11 January 2016 (*)	5,00,000		
14 May 2016	3,45,000		
23 May 2017	50,000		
02 November 2018	26,60,000		
03 July 2019	11,35,000		
21 September 2020 (#)	1,11,600	Option granted would vest over a maximum period of 1 year from the date of the grant.	2 years
01 March 2021	73,50,000	The options granted would normally vest over a maximum period of 5 to 7 years from the date of the grant in proportions specified in 'SeQuent ESOP 2020' scheme.	6 Years
22 February 2022	10,00,000		
11 April 2022	71,00,000		
25 July 2022	5,00,000		
10 May 2023	34,50,000		
06 November 2023	5,00,000		

* Pursuant to sub-division of 1 equity share of ₹10 each into 5 equity shares of ₹ 2 each on 26 February 2016, the no. of options have been adjusted proportionately.

The expense on Employee Stock Option plan debited to the standalone statement of profit and loss during 2023-24 is ₹ 74.21 (31 March 2023: ₹ 114.14 Net of recoveries of ₹ 148.59 (31 March 2023 : ₹ 239.97)) from its subsidiary company towards the stock options granted to subsidiary employees, pursuant to the employee stock option schemes. The entire amount pertains to equity-settled employee share-based payment plans. The share option outstanding as on 31 March 2024 is ₹ 773.08 (31 March 2023 : ₹ 562.26).

B. Measurement of fair values

Fair value of share options granted in the year

The weighted average fair value of the share options granted on 10 May 2023 ranges from ₹25.81 to ₹45.00 and granted on 06 November 2023 ranges from ₹42.39 to ₹59.24 (11 April 2022 ranges from ₹73.60 to ₹108.30 and granted on 25 July 2022 ranges from ₹47.44 to ₹66.8) Options were priced using a Black-Scholes model. The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements if any, were not taken into account in measuring fair value.

Inputs into the model	31 March 2024	31 March 2024	31 March 2023	31 March 2023
Grant date	06 November 2023	10 May 2023	25 July 2022	11 April 2022
Grant date share price	100.80	78.05	118.50	149.30

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

B. Measurement of fair values (contd)

Inputs into the model	31 March 2024	31 March 2024	31 March 2023	31 March 2023
Exercise price	86.00	86.00	86.00	86.00
Expected volatility	43.12% to 43.61%	43.10% to 44.95%	45.24% to 48.18%	50.9% to 55.2%
Option life	4 to 8 years	4 to 10 years	1.5 to 5 years	1.5 to 7.5 years
Dividend yield	0.50	0.50	0.50	0.20
Risk-free interest rate	7.38% to 7.46%	7.09% to 7.23%	6.57% to 7.2%	4.74% to 6.5%

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option programmes were as follows:

	31 March 2024		31 March 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Employees stock option plan:				
Option outstanding at the beginning of the year	10,972,500	85.81	3,452,500	85.41
Granted during the year	3,950,000	86.00	7,600,000	86.00
Exercised during the year	-	-	-	-
Forfeited during the year	1,825,000	84.87	80,000	86.00
Options outstanding at the end of the year	**13,097,500**	**86.00**	**10,972,500**	**85.81**

D. Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹86.00 (as at 31 March 2023 : ₹85.81) and weighted average remaining contractual life of 6.37 years (31 March 2023 : 6.5 years).

47 Lease Accounting

(i) Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31 March 2024	As at 31 March 2023
Balance as on 01 April	11.75	13.54
Additions	0.71	7.93
Accretion of interest	0.61	0.88
Payments	(9.97)	(10.60)
Closing Balance	**3.10**	**11.75**
Current	3.10	9.09
Non-current	-	2.67
The effective interest rate for lease liabilities is between 7.50% to 10.50%, with maturity between 2024-25.		

(ii) Impact on statement of profit and loss (decrease in profit before tax for the year)

	As at 31 March 2024	As at 31 March 2023
Depreciation expense of right-of-use assets (Refer note 35)	9.50	12.86
Finance costs (Refer note 34)	0.61	0.88
Net decrease in profit for the year	**10.11**	**13.74**

All amounts are in ₹ million unless otherwise stated

47 Lease Accounting (contd)

(iii) Maturity Analysis of Lease (Refer Note 50.4)

(iv) Impact on the statement of cash flows increase / (decrease)

	As at 31 March 2024	As at 31 March 2023
Payment of principal portion of lease liabilities	(9.36)	(9.72)
Payment of interest portion of lease liabilities	(0.61)	(0.88)
	(9.97)	**(10.60)**

48 Ratio Analysis

Sr. No.	Ratios	Numerator	Denominator	31 March 2024	31 March 2023	% of Variance	Remarks
1	Current Ratio	Current Assets	Current Liabilities	0.99	1.22	(19%)	-
2	Debt-Equity Ratio	Total Debts	Shareholder's Equity	0.04	0.02	137%	Refer Note 1
3	Debt Service Coverage Ratio	PAT+ Depreciation + Interest	Debt Service	2.74	1.65	66%	Refer Note 2
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.06%	(0.58%)	0.64%	-
5	Inventory Turnover Ratio	Sale of products	Average Inventory	3.82	3.66	4%	-
6	Trade Receivables Turnover Ratio	Sale of products	Average Accounts Receivable	5.77	6.74	(14%)	-
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	2.53	2.45	3%	-
8	Net Working Capital Turnover Ratio	Sale of products	Working Capital	(122.03)	16.60	(835%)	Refer Note 3
9	Net Profit Ratio	Profit after Tax	Net Sales	0.00	-0.03	(114%)	Refer Note 4
10	Return on Capital Employed	Earning before interest and taxes	Tangible Net Worth+Total Debt+ Deferred Tax liability	0.37%	(0.68%)	1.05%	-
11	Return on Investment	Earning before interest and taxes	Total assets	0.00	(0.01)	(154%)	Refer Note 5

Notes:

1 Increase in short-term borrowings during the current year

2 Decrease in loss during the current year

3 Decrease in working capital in the current year

4 There is profit in the current year as compared to loss in the previous year

5 On account of losses during the current year

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

49 Transaction with Struck off companies as on 31 March 2024

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on 31 March 2024	Relationship with the Struck off company
Taneesh Travel And Tours Private Limited (OPC)	Employee Travel expenses	-	Vendor

Transaction with Struck off companies as on 31 March 2023

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on 31 March 2023	Relationship with the Struck off company
Taneesh Travel And Tours Private Limited (OPC)	Employee Travel expenses	(0.00)	Vendor

50 Financial instruments

The carrying value and the fair value of financial instruments by categories are as follows:

	Carrying value and fair value	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Measured at amortised cost		
Investment in subsidiaries	6,402.92	6,324.67
Other investments	0.05	0.05
Trade receivables	447.90	136.47
Cash and cash equivalents	9.26	0.83
Other bank balances	0.29	0.94
Loans	3,692.87	3,226.60
Other financial assets	41.31	26.85
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments (Quoted)	1.13	0.46
Total	**10,595.73**	**9,716.87**
Financial liabilities		
Measured at amortised cost		
Borrowings	464.55	190.99
Lease liabilities	3.10	11.76
Trade payables	384.53	367.08
Other financial liabilities	17.93	13.89
Total	**870.11**	**583.72**

50.1 Fair value hierarchy

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).

All amounts are in ₹ million unless otherwise stated

50 Financial instruments (contd)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31 March 2024 and 31 March 2023:

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets designated at fair value through other comprehensive income (note 5 and 12)					
Investment in equity instruments (Quoted)	31 March 2024	1.13	1.13	-	-
Investment in equity instruments (Quoted)	31 March 2023	0.46	0.46	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Notes:

(i) Refer note 2.4(xviii) under Material accounting policies for recognition and measurement of financial assets.

(ii) The fair value of the investments in equity is based on the quoted price.

(iii) Price risk- The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

50.2 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and deposits that are derived directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these standalone financial statements.

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has established Audit Committee and its constitution, quorum and scope is in line with the Companies Act, 2013, provisions of Listing Agreement as entered with the Stock Exchange / Regulations. The Audit

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

50 Financial instruments (contd)

Committee comprises of two non executive independent directors and one non-executive director nominated by the Board of Directors.

The Audit Committee oversees how management ensures compliance of Internal Control Systems, compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Audit Committee also reviews the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of Chartered Accountants.

50.3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from the Company's trade receivables. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Given below is ageing of trade receivable spread by period of six months:

	31 March 2024	31 March 2023
Outstanding for more than 6 months	4.55	-
Others	443.35	136.47
	447.90	**136.47**

- The Company continuously monitors defaults of customers and other counterparties identified and incorporates this information into its credit risk controls.

- Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased for export customers.

- The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating.

Information about major customer

Revenue from single external customer group is approximately ₹202.23 (31 March 2023: ₹326.83) representing 13% (31 March 2023 : 15%) of Company's total revenue from business for the year ended 31 March 2024 and total exposure in receivables is 20% for the year ended 31 March 2024 (31 March 2023: Nil %). Apart from the aforesaid single customer, the Company does not have a significant credit risk exposure to any other single counterparty.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the company. The Company's maximum exposure in this respect is the maximum amount the Company may have to pay if the guarantee is called on. These financial guarantees have been issued to banks and other parties with whom loan agreements have been entered by the subsidiary (refer note 45.3 for details of outstanding financial guarantees).

All amounts are in ₹ million unless otherwise stated

50 Financial instruments (contd)

50.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements of the Company. Short-term liquidity situation is reviewed daily by treasury. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically the Company ensures that it has sufficient funds on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023:

Particulars	**As at 31 March 2024**			
	Less than 1 year	**1-2 years**	**2 years and above**	**Total**
Borrowings	464.55	-	-	464.55
Trade payables	384.53	-	-	384.53
Other financial liabilities	17.93	-	-	17.93
Lease liabilities	3.10	-	-	3.10
Total	**870.11**	**-**	**-**	**870.11**
Financial guarantee (refer note 45.3)				2,833.11

Particulars	**As at 31 March 2023**			
	Less than 1 year	**1-2 years**	**2 years and above**	**Total**
Borrowings	190.99	-	-	190.99
Trade payables	367.08	-	-	367.08
Other financial liabilities	13.89	-	-	13.89
Lease liabilities	9.09	2.67	-	11.76
Total	**581.05**	**2.67**	**-**	**583.72**
Financial guarantee (refer note 45.3)				2,627.11

50.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to interest rate risk arising mainly from debt. The Company is exposed to interest rate risk because the fair value of fixed rate borrowings and the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

The Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Company's functional currency; hence exposures to exchange rate fluctuations arise. Considering the country and economic environment in which the Company operates, its operations are subject to risks arising

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

50 Financial instruments (contd)

from fluctuations in exchange rate in those countries. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

Foreign currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

a) Foreign currency risk from financial instruments are given below

Foreign currency	As at 31 March 2024		As at 31 March 2023	
	Receivable / (payable)	Receivable / (payable) in foreign currency	Receivable / (payable)	Receivable /(payable) in foreign currency
USD	43.07	0.52	24.84	0.30
EURO	-	-	3.45	0.04
USD	(28.79)	(0.35)	(17.16)	(0.21)
JPY	(0.50)	(0.91)	(0.37)	(0.60)
EURO	(0.23)	(0.00)	(0.15)	(0.00)
Net Exposure	**13.55**		**10.61**	

b) Foreign currency sensitivity analysis

The Company is mainly exposed to currency fluctuation of USD.

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. Positive numbers below indicates an increase in profit or equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balance below would be negative.

	Impact on profit or loss and total equity	
	31 March 2024	31 March 2023
10% decrease in foreign currency		
Currency of U.S.A (USD)	(1.43)	(0.77)
Others	0.07	(0.29)
10% increase in foreign currency		
Currency of U.S.A (USD)	1.43	0.77
Others	(0.07)	0.29

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

50.6 Financial instrument - Risk exposure and fair value

Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

Interest rate risk

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

	31 March 2024	31 March 2023
Fixed-rate instruments		
Financial assets		
-Margin money deposit	0.12	0.77
Total	**0.12**	**0.77**

All amounts are in ₹ million unless otherwise stated

50 Financial instruments (contd)

	31 March 2024	31 March 2023
Variable-rate instruments		
Financial assets		
- Loans to subsidiary	3,692.47	3,225.68
Total	**3,692.47**	**3,225.68**
Variable-rate instruments		
Financial liabilities		
-Borrowings from bank	464.55	190.99
Total	**464.55**	**190.99**

Interest rate sensitivity analysis for variable-rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Effect	**Profit and loss**	
	100 bps increase	**100 bps decrease**
31 March 2024		
Variable-rate instruments	32.28	(32.28)
	32.28	**(32.28)**
31 March 2023		
Variable-rate instruments	30.35	(30.35)
	30.35	**(30.35)**

51 Capital Management

For the purpose of Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings less cash and cash equivalents

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. As at 31 March 2024, there is no breach of covenant attached to the borrowings.

The Company manages its capital to ensure that Company will be able to continue as going concern 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 (offset by cash and bank balances) and total equity of the Company.

The Company's Gearing Ratio at end of the year is as follow.

	31 March 2024	31 March 2023
(i) Borrowings (refer note (i) below)	464.55	190.99
(ii) Cash and cash equivalents	9.26	0.83
(iii) Other bank balance (margin money) (refer note (ii) below)	0.12	0.77
(iv) Current investment	1.13	0.46
Net debt [(i) - { (ii)+(iii)+(iv) }]	**454.04**	**188.93**
Total equity	**10,872.28**	**10,583.62**
Gearing ratio (Refer note (iii) below)	**4.18%**	**1.79%**

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

(i) Debt is defined as long-term (including current maturity of long term borrowings excluding financial guarantee contracts) and short-term borrowings.

(ii) Other bank balance exclude the bank balance towards unpaid dividend.

(iii) Gearing ratio : Net debt / Total Equity.

52 Corporate Social Responsibility Expenses (CSR)

The Company has incurred below expenses towards CSR activities as per section 135 of the Companies Act, 2013 and is included in other expenses.

	31 March 2024	31 March 2023
(i) Amount required to be spent by the company during the year	2.86	4.63
(ii) Amount of expenditure incurred	2.86	4.63
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	0.50
(v) Total CSR Expenditure	2.86	4.63
(vi) Nature of CSR activities	Promoting heathcare, promoting education, rural development projects etc.	
	-	-
Utilization of Unspent CSR of FY 21-22		
Chirag Rural Development Foundation	-	
Dev Loka Educational Trust	-	0.50
Total	**-**	**0.50**

53 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

54 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

55 The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

56 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

57 The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

58 The Company has complied with the number of layers of subsidiaries prescribed under Section 2(87) of the Companies Act, 2013

59 The quarterly returns or statements of current assets filed by the Company (including revised returns or statements) with banks or financial institutions are in agreement with the books of accounts.

60 A.The Company has not advanced or loaned or invested funds to any other persons or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

B. The Company has not received any fund from any persons or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the standalone financial statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

61 During the year, the Company had a cyber security attack on one of it's ancillary applications. The Company promptly acted on the incident and took steps to prevent the impact of the attack by deploying appropriate protective tools, scanning the devices and servers and corrective measures were taken on affected applications. Since the main ERP software of the Company remained unimpacted, there was no financial loss with respect to underlying financial / accounting information/data (including sales and invoicing). There was no disruption in the operations and the business had continued to operate normally as per defined processes.

62 The Company has used two accounting software for maintaining its books of account which have 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 (i) audit trail feature is not enabled for certain changes made using privileged/administrative access rights to the underlying database; (ii) in the absence of relevant information in the Service Organisation Controls report, it is not determinable whether the audit trail feature of the underlying database related to Zing HR application (used for maintaining payroll records and processing) operated throughout the year or whether there were any instances of the audit trail feature being tampered with. Further, no instance of audit trail feature being tampered with was noted in respect of SAP software.

63 There are no standards that are notified and not yet effective as on the date.

64 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

65 The standalone financial statements were approved for issue by the board of directors on 15 May 2024.

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN:02977405

Vedprakash Ragate
Additional Director
DIN:10578409

Saurav Bhala
Chief Financial Officer

Phillip Trott
Company Secretary
Membership No: F-7403

Independent Auditor's Report

To the Members of Sequent Scientific Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sequent Scientific Limited (hereinafter referred to as "the Holding Company") including Sequent Scientific Employee Stock Option Plan Trust (the "Trust") and its subsidiaries (the Holding Company, Trust and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive expense, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated loss including other comprehensive expense, their consolidated cash flows and the consolidated statement of 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 we have obtained 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 for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Recoverability of Deferred tax asset (as described in Note 8 and Note 44 of the consolidated financial statements)	
As at March 31, 2024, the Group has Deferred Tax Asset ("DTA") of ₹ 783 million. Above balance includes MAT credit of ₹ 194 million and DTA of ₹ 589 million created on account of income tax losses relating to the Holding Company and one of its wholly owned subsidiary incorporated in India which is available for utilization against future tax liabilities. The analysis of the recoverability of deferred tax assets has been identified as a key audit matter because the assessment of recoverability involves significant estimates and judgement in respect of forecasted taxable profits for future years. Due to the significance and materiality of the deferred tax balances and the judgment involved, this matter was considered significant to our audit and hence a key audit matter.	We performed the following audit procedures, among others: • We obtained an understanding of the management's process for estimating the recoverability of deferred tax assets. • We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We tested the arithmetical accuracy of the computation of the amounts recognised as deferred tax assets. • We involved tax experts to assist in evaluating measurement of income tax charge for the year including computation of deduction and evaluation of various tax positions and potential exposures. • We read and assessed relevant disclosures made in the consolidated financial statements.
Revenue recognition under Ind AS 115, "Revenue from contracts with customers" (as described in Note 2(vii) and 35 of the consolidated financial statements)	
The Group recognizes revenue from sale of goods at a point in time based on the terms of the contract with customers which may vary case to case. Terms of sales arrangements with various customers, including Incoterms determine the timing of transfer of control and require judgment in determining timing of revenue recognition. Due to the judgement relating to determination of point of time in satisfaction of performance obligations with respect to sale of products, this matter is considered as Key Audit Matter.	We performed the following audit procedures, among others: • We read the Group's accounting policy for revenue recognition and assessed its compliance with 115 'Revenue from contracts with customers; • We assessed the design and tested the operating effectiveness of internal financial controls related to sale of goods; • For sample customers, we obtained and assessed the arrangements with the Group and impact on revenue recognition including their payment terms and right to returns; • On a sample basis, we tested underlying documents including purchase orders issued by customers, and sales invoices raised by the Group and shipping documents to assess the timing of transfer of control and the timing of revenue recognition; • We analyzed revenue transactions near the reporting date and tested whether the timing of revenue was recognized in the appropriate period with reference to shipping records, sales invoices etc., for sample transactions; • We requested for and obtained independent balance confirmations from the Group's customers on sample basis and tested reconciliations wherever required. • We read and assessed the relevant disclosures made in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill including Intangible Assets(as described in Note 4 and 5 of the consolidated financial statements)	
The Group has goodwill of ₹ 2,349 million and other intangible assets of ₹ 569 million respectively as at March 31, 2024 which includes goodwill/ intangible assets acquired through various business combinations and allocated to cash generating units of the Group. Impairment of goodwill and intangible assets is determined by assessing the recoverable amount of each cash generating unit to which these assets relate. The recoverable amount of the cash generating unit as at March 31, 2024 has been determined based on valuation techniques such as projected future cash inflows, etc. Significant judgements are used to estimate the recoverable amount of these intangible assets and goodwill. The determination of recoverable amounts involves use of several key assumptions, including estimates of future sales volume, and prices, operating costs, terminal value growth rates and the weighted average cost of capital (discount rate) and hence is considered a key audit matter.	Our audit procedures included the following: • We obtained an understanding, evaluated the design, and tested operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models. • We obtained an understanding of the process followed by the management in determining the Cash Generating Units (CGUs') to which goodwill/ intangible assets are allocated. • We obtained an understanding of the process followed by the management to determine the recoverable amounts of CGUs to which the goodwill and intangible assets pertain to. • We obtained the management testing of impairment and report of management specialist on impairment assessment of Turkey CGU and discussed the assumptions and other factors used in the assessment. • We evaluated the assumptions applied to key inputs such as future sales volume, sales price, operating costs, terminal value growth rates. • We tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units. • We involved valuation experts to assist in evaluating key assumptions used in the impairment testing performed by the management and its specialists. • We read and assessed the relevant disclosures made in the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated 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 such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of their respective companies 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 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 Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information of the Trust whose financial statements and other financial information include total assets of ₹ 32.27 million as at March 31, 2024, total revenues of ₹ Nil and net cash inflow of ₹ 7.51 million for the year ended on that date. These financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the reports of such other auditors.

(b) We did not audit the financial statements and other financial information, in respect of fourteen subsidiaries, whose financial statements include total assets of ₹ 13,200 million as at March 31, 2024, total revenues of ₹ 9,393 million and net cash inflows of ₹ 160 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(c) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of three subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 108 million as at March 31, 2024, total revenues of ₹ 141 million and net cash inflows of ₹ 1 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. There are no qualifications or adverse remarks given by the respective auditor in the Companies (Auditor's Report) Order, 2020 ("the Order") reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and the Trust, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Expense, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

(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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 47 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, other than as disclosed in the note 60 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 Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, other than as disclosed in the note 60 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, 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 (a) and (b) contain any material misstatement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries companies, incorporated in India.

vi) Based on our examination which included test checks and that performed by auditors of two subsidiaries which are Companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 65 to the consolidated financial statements, the Holding Company and two subsidiaries have used accounting software for maintaining its books of account 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. Further, during the course of our audit, we and respective auditors of the above referred subsidiary did not come across any instance of audit trail feature being tampered with in respect of other accounting software, where the audit trail has been enabled.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 24110759BKEBAU6582

Place of Signature: Thane
Date: May 15, 2024

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SEQUENT SCIENTIFIC LIMITED

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

In conjunction with our audit of the consolidated financial statements of Sequent Scientific Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls 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, the Holding Company has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 24110759BKEBAU6582

Place of Signature: Thane
Date: May 15, 2024

Consolidated Balance Sheet

as at 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Notes	As at 31 March 2024	As at 31 March 2023
A ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3a	2,486.17	2,332.12
(b) Right-of-use assets (ROU)	3b	515.27	675.29
(c) Capital work-in-progress	3c	110.81	513.87
(d) Goodwill	4	2,349.34	2,400.42
(e) Other intangible assets	5	568.70	645.27
(f) Intangible assets under development	5a	48.51	38.96
(g) Financial assets			
(i) Investments	6	8.93	0.05
(ii) Other financial assets	7	122.90	162.94
(h) Deferred tax assets (net)	8	783.55	453.62
(i) Income tax assets (net)	9	129.52	120.55
(j) Other non-current assets	10	51.58	49.28
Total non-current assets		**7,175.28**	**7,392.37**
II. Current assets			
(a) Inventories	11	3,462.32	3,460.89
(b) Financial assets			
(i) Investments	12	26.13	0.46
(ii) Trade receivables	13	3,356.31	3,409.62
(iii) Cash and cash equivalents	14	648.10	415.74
(iv) Bank balances other than (iii) above	15	50.20	1.72
(v) Loans	16	1.41	3.35
(vi) Other financial assets	17	19.00	10.90
(c) Income tax assets (net)	18	3.72	35.51
(d) Other current assets	19	542.18	459.75
Total current assets		**8,109.37**	**7,797.94**
III. Asset held for sale	3b	**119.19**	**100.92**
Total assets (I+ II+ III)		**15,403.84**	**15,291.23**
B EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	20	498.86	498.86
(b) Other equity	21	6,066.74	6,488.92
Equity attributable to owners of the Company		**6,565.60**	**6,987.78**
(c) Non-controlling interest	22	563.99	504.12
Total equity		**7,129.59**	**7,491.90**
II. Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	1,427.19	1,501.08
(ii) Lease liabilities	24	290.97	369.70
(b) Provisions	25	217.46	214.74
(c) Deferred tax liabilities (net)	26	68.73	122.53
(d) Other non-current liabilities	27	-	3.70
Total non-current liabilities		**2,004.35**	**2,211.75**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	3,085.60	2,477.90
(ii) Trade payables	29	2,602.59	2,443.40
(iii) Lease liabilities	30	73.17	87.27
(iv) Other financial liabilities	31	56.19	110.83
(b) Provisions	32	79.64	164.20
(c) Current tax liabilities (net)	33	33.43	63.41
(d) Other current liabilities	34	339.28	240.57
Total current liabilities		**6,269.90**	**5,587.58**
Total liabilities (1+2)		**8,274.25**	**7,799.33**
Total equity and liabilities (I + II)		**15,403.84**	**15,291.23**
Material Accounting Policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No - 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN - 02977405

Vedprakash Ragate
Additional Director
DIN - 10578409

Saurav Bhala
Chief Financial Officer

Philip Trott
Company Secretary
Membership No: F-7403

Consolidated Statement of profit and loss

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated except for earnings per share information

	Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
I	Revenue from operations	35	13,697.31	14,209.09
II	Other income	36	109.57	63.90
III	**Total income (I+II)**		**13,806.88**	**14,272.99**
IV	**Expenses**			
	(a) Cost of materials consumed	37.a	6,136.66	6,930.98
	(b) Purchases of stock-in-trade	37.b	1,755.38	1,217.70
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	37.c	(294.57)	188.99
	(d) Employee benefits expense	38	2,505.71	2,583.85
	(e) Finance costs	39	480.86	355.17
	(f) Depreciation and amortisation expenses	40	615.40	556.93
	(g) Acquisition related costs	66	-	9.90
	(h) Other expenses	41	2,901.81	3,000.17
	(i) Net Monetary loss on Hyperinflation economy	42	78.18	157.95
	Total expenses (IV)		**14,179.43**	**15,001.64**
V	**Loss before tax & exceptional items (III-IV)**		**(372.55)**	**(728.65)**
VI	Exceptional items	43	(173.91)	(647.93)
VII	**Loss before tax (V-VI)**		**(546.46)**	**(1,376.58)**
VIII	**Tax expense / (credit)**	44		
	(a) Current tax		144.83	78.39
	(b) Deferred tax		(389.82)	(231.96)
	(c) Adjustment of tax pertaining to earlier period		(5.34)	(3.24)
	Total Tax expense / (credit)		**(250.33)**	**(156.81)**
IX	**Loss after tax (VII-VIII)**		**(296.13)**	**(1,219.77)**
X	**Other comprehensive income / (expenses)**	21		
	A. Items that will not be reclassified to profit or loss			
	(a) Remeasurement gain / (loss) on defined benefit plans		(13.24)	(21.59)
	(b) Fair value gain / (loss) from investment in equity instruments		0.66	(142.46)
	(c) Income tax relating to items that will not be reclassified to profit or loss		(0.57)	(8.80)
	(d) Deferred tax relating to items that will not be reclassified to profit or loss		-	28.80
	B. Items that will be reclassified to profit or loss			
	(a) Exchange differences on translation of foreign operations		(263.48)	(57.52)
	(b) Exchange differences on net investment in foreign operations		(374.90)	(59.92)
	Total other comprehensive expenses (net of tax)		**(651.53)**	**(261.49)**
XI	**Total comprehensive income / (expense) for the year, net of tax (IX+X)**		**(947.66)**	**(1,481.26)**
	Profit / (Loss) for the year attributable to:			
	- Owners of the Company		(358.69)	(1,211.59)
	- Non-controlling interest		62.56	(8.18)
			(296.13)	**(1,219.77)**
	Other comprehensive income / (expenses) for the year attributable to:			
	- Owners of the Company		(654.26)	(279.97)
	- Non-controlling interest		2.73	18.48
			(651.53)	**(261.49)**
	Total comprehensive income / (expenses) for the year attributable to:			
	- Owners of the Company		(1,012.95)	(1,491.56)
	- Non-controlling interest		65.29	10.30
			(947.66)	**(1,481.26)**
	Earnings per equity share (Face value of share - ₹ 2 each)	46		
	(1) Basic (in ₹)		(1.44)	(4.88)
	(2) Diluted (in ₹)		(1.44)	(4.88)
	Material Accounting Policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No - 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN - 02977405

Vedprakash Ragate
Additional Director
DIN - 10578409

Saurav Bhala
Chief Financial Officer

Philip Trott
Company Secretary
Membership No: F-7403

Consolidated Statement of cash flows

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities			
Net profit / (Loss) before tax		(546.46)	(1,376.58)
Adjustments for:			
Depreciation and amortisation expenses		615.40	556.93
Unrealised forex (gain) / loss (net)		153.72	114.46
Bad trade receivables written off		0.62	1.83
Bad loans and advances written off		-	0.12
Allowance for doubtful trade receivables provided / (written back)		13.77	7.56
Finance costs		480.86	355.17
Dividend income		-	(0.01)
Interest income		(6.70)	(12.09)
(Profit) / loss on sale of PPE (net) and transfer of leasehold rights		(55.42)	(20.42)
Gain on sale of investments		(0.17)	(0.51)
Fair value gain on financial instruments at fair value through profit or loss		(0.23)	-
Property, plant and equipment written off		1.64	1.61
Exceptional Items		(54.26)	647.94
Hyperinflation Impact		78.18	200.53
Expenses pertaining to share-based payment to employees		222.28	354.11
Operating profit before working capital changes		**903.23**	**830.64**
Changes in working capital			
(Increase) / Decrease in trade receivables, loans and advances and other assets		(87.82)	(412.64)
(Increase) / Decrease in inventories		2.86	50.79
(Increase) / Decrease in margin money and unpaid dividend accounts and other bank deposits		(0.40)	15.85
Increase / (Decrease) in trade payables, other payables and provisions		(371.36)	(170.13)
Net change in working capital		**(456.72)**	**(516.13)**
Cash generated from / (used in) operations		**446.51**	**314.51**
Income taxes paid (net of refund)		(140.56)	(146.43)
Net cash generated from / (used in) operating activities	**A**	**305.95**	**168.08**
Cash flow from investing activities			
Purchase of property, plant and equipment (PPE) and intangible assets		(308.07)	(861.79)
Proceeds from disposal of PPE and transfer of leasehold rights (including advances)		191.52	116.71
Proceeds of insurance claim		74.00	-
Proceeds from sale of treasury shares by SeQuent Scientific Employee Stock Option Plan Trust		59.85	-
Purchase of long term investments		(8.88)	-
Proceeds from sale of long term investments		-	225.39
Investments in fixed deposits		(48.08)	-
(Purchase) / sale of current investments (net)		(25.27)	12.17

Consolidated Statement of cash flows

for the year ended 31 March 2023

All amounts are in ₹ million unless otherwise stated

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
Interest received		5.73	12.33
Dividend received		-	0.01
Consideration paid on acquisition of new subsidiary company		-	(154.40)
Net cash generated from / (used in) investing activities	**B**	**(59.20)**	**(649.58)**
Cash flow from financing activities			
Proceeds from long-term borrowings		548.50	575.43
Payment of lease liabilities		(108.24)	(95.68)
Repayment of long-term borrowings		(584.65)	(356.26)
Proceeds from / (repayment of) short-term borrowings (net)		584.22	557.52
Interest and other borrowing cost paid		(453.46)	(355.71)
Dividend distribution to Non-controlling interest (NCI)		(0.76)	(3.02)
Net cash generated from / (used in) financing activities	**C**	**(14.39)**	**322.28**
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)		**232.36**	**(159.22)**
Cash and cash equivalents at beginning of the year (refer note 14)		415.74	574.96
Cash and cash equivalents at end of the year (refer note 14)		**648.10**	**415.74**

As at 31st March 2024	Opening Balance	Cash Flow	Non-Cash Changes	Balance
Borrowings and Lease liabilities	4,435.95	(13.63)	454.61	4,876.93
Total Liabilities From Financing activity	**4,435.95**	**(13.63)**	**454.61**	**4,876.93**

As at 31st March 2023	Opening Balance	Cash Flow	Non-Cash Changes	Balance
Borrowings and Lease liabilities	3,649.00	681.01	105.94	4,435.95
Total Liabilities From Financing activity	**3,649.00**	**681.01**	**105.94**	**4,435.95**

Note: The consolidated statement of cash flows has been prepared under the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit / loss for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Material Accounting Policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No - 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN - 02977405

Vedprakash Ragate
Additional Director
DIN - 10578409

Saurav Bhala
Chief Financial Officer

Philip Trott
Company Secretary
Membership No: F-7403

Consolidated Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

(a) Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	24,94,33,495	498.86	24,83,70,995	496.74
Issued during the year	-	-	10,62,500	2.12
Balance at the end of the year	**24,94,33,495**	**498.86**	**24,94,33,495**	**498.86**

(b) Other equity

	Other Equity (note 21) Attributable to equity shareholders												
	Share application money pending allotment	Capital reserve	Securities premium account	Employees stock options outstanding	General reserve	Treasury reserve	Translation reserve	Other reserves	Retained earnings	Reserve for equity instruments through other comprehensive income	Total	Non-controlling interest (note 22)	Total
Opening balance as on 01 April 2022	**91.38**	**24.80**	**8,742.55**	**379.58**	**232.88**	**(57.71)**	**(1,403.72)**	**(2,732.95)**	**885.91**	**261.52**	**6,424.24**	**480.06**	**6,904.30**
Profit for the year	-	-	-	-	-	-	-	-	(1,211.59)	-	(1,211.59)	(8.18)	(1,219.77)
Other comprehensive income / (expenses) for the year, net of income tax	-	-	-	-	-	-	(135.92)	-	(22.61)	(121.44)	(279.97)	18.48	(261.49)
Total comprehensive income / (expenses) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(135.92)**	**-**	**(1,234.20)**	**(121.44)**	**(1,491.56)**	**10.30**	**(1,481.26)**
Hyperinflation Restatment upto 1 April 2022 (refer note 53)	-	-	-	-	-	-	-	-	748.00	-	748.00	-	748.00
Recognition of share-based payments	-	-	-	354.11	-	-	-	-	-	-	354.11	-	354.11
Transfer to retained earnings on sales of quoted equity investments carried at FVTOCI	-	-	-	-	-	-	-	-	141.81	(141.81)	-	-	-
Reinstatement of opening non-controlling interest on acquisition	-	-	-	-	-	-	-	-	-	-	-	16.78	16.78
Premium on exercise of employee stock options issued during the year	(91.38)	-	260.69	(170.51)	-	-	-	-	-	-	(1.20)	-	(1.20)
Hyperinflation adjustment (refer note 53)	-	-	-	-	-	-	-	-	455.33	-	455.33	-	455.33
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(3.02)	(3.02)
Balance as at 31 March 2023	**-**	**24.80**	**9,003.24**	**563.18**	**232.88**	**(57.71)**	**(1,539.64)**	**(2,732.95)**	**996.85**	**(1.73)**	**6,488.92**	**504.12**	**6,993.04**
Profit / (Loss) for the year	-	-	-	-	-	-	-	-	(358.69)	-	(358.69)	62.56	(296.13)
Other comprehensive income / (expenses) for the year, net of income tax	-	-	-	-	-	-	(638.38)	-	(16.54)	0.66	(654.26)	2.73	(651.53)
Total comprehensive income / (expenses) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(638.38)**	**-**	**(375.23)**	**0.66**	**(1,012.95)**	**65.29**	**(947.66)**

Consolidated Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

	Other Equity (note 21) Attributable to equity shareholders											Non-controlling interest (note 22)	Total
	Share application money pending allotment	Capital reserve	Securities premium account	Employees stock options outstanding	General reserve	Treasury reserve	Translation reserve	Other reserves	Retained earnings	Reserve for equity instruments through other comprehensive income	Total		
Recognition of share-based payments	-	-	-	222.28	-	-	-	-	-	-	222.28	-	222.28
Cost of treasury shares sold during the year	-	-	-	-	-	32.99	-	-	-	-	32.99	-	32.99
Profit on sale of Treasury Shares	-	-	-	-	-	-	-	-	26.85	-	26.85	-	26.85
Reinstatement of opening non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(4.66)	(4.66)
Vested ESOP lapsed during the year	-	-	-	(12.38)	12.38	-	-	-	-	-	-	-	-
Hyperinflation adjustment (refer note 53)	-	-	-	-	-	-	-	-	308.65	-	308.65	-	308.65
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(0.76)	(0.76)
Balance as at 31 March 2024	**-**	**24.80**	**9,003.24**	**773.08**	**245.26**	**(24.72)**	**(2,178.02)**	**(2,732.95)**	**957.12**	**(1.07)**	**6,066.74**	**563.99**	**6,630.73**

Material Accounting Policies 2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No - 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN - 02977405

Vedprakash Ragate
Additional Director
DIN - 10578409

Saurav Bhala
Chief Financial Officer

Philip Trott
Company Secretary
Membership No: F-7403

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

1 CORPORATE INFORMATION

SeQuent Scientific Limited (the "Company") is a Company incorporated and domiciled in India and has its registered office located at 301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22, Wagle Industrial Estate, Thane (W), Maharashtra - 400604, India. The shares of the Company are publicly traded on the National Stock Exchange of India Limited and BSE Limited. The Company is a leading integrated pharmaceutical company with a global footprint, operating in the domains of Animal Health (APIs and finished dosage formulations) and analytical services. The Company is headquartered in Thane, India, with eight manufacturing facilities, based in India, Turkey, Brazil, Spain and Germany. The Company together with its subsidiaries is herein after referred to as 'Group'.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

(ii) Basis of preparation and presentation

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 period. 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. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for:

- Share-based payments transaction as defined in Ind AS 102 – Share-based payments.
- Leasing transaction as defined in Ind AS 116 – Leases.
- Measurement that has some similarities to fair value but are not fair value, such as 'Net Realisable Value' as defined in Ind AS 2 – Inventories and value in use as defined in Ind AS 36- Impairment of assets.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(iii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR). All financial information presented in INR has been rounded to the nearest million (up to two decimals).

(iv) Basis of consolidation

These consolidated financial statements include financial statements of the Company and all its subsidiaries drawn up to the dates specified in note 48. Subsidiaries are all entities over which the Parent has control. The parent controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the Parent acquires control until the date the control ceases. Inter-company transactions, balances and unrealised gains and losses on inter-company transactions between group companies are eliminated. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the Group perspective. Amounts reported in separate financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance. Non-controlling interest are presented in the consolidated statement of financial position within equity, separately from the equity of the shareholders of the Group.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

(v) Business combination

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103 - Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurred in connection with a business combination are expensed as incurred. When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. If the initial accounting for a business combination is incomplete by the end of each reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

The Group applies the anticipated acquisition method where it has the right and the obligation to purchase any remaining non-controlling interest (so-called put / call arrangements). Under the anticipated acquisition method, the interests of the non-controlling shareholder are derecognised when the Group's liability relating to the purchase of its shares is recognised. The recognition of the financial liability implies that the interests subject to the purchase are deemed to have been acquired already. Therefore, the corresponding interests are presented as already owned by the Group even though legally they are still non-controlling interest.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interest in the acquiree, over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If the excess is a negative, a bargain purchase gain is recognised in capital reserve. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

(vi) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

Non-current assets are reclassified from held-for-sale to held-for-use if they no longer meet the criteria to be classified as held-for-sale. On reclassification as held-for-use, a non-current asset is remeasured at the lower of its recoverable amount and the carrying amount that would have been recognised had the asset never been classified as held-for-sale or held-for-distribution.

All amounts are in ₹ million unless otherwise stated

(vii) Revenue recognition

The Group presents revenue net of indirect taxes in its consolidated statement of profit and loss.

Sale of goods

Revenue from sale of products is presented in the income statement within revenue from operations. The Group presents revenue net of indirect taxes in its consolidated statement of profit and loss. Sale of products comprise revenue from sales of products, net of sales returns, expiry, rebates, incentives and of customer discounts. Revenue is recognised when it is probable that future economic benefits will flow to the Company and these benefits can be measured reliably. Further, revenue recognition requires that all significant risks and rewards of ownership of the goods included in the transaction have been transferred to the buyer, and that Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Performance obligations are satisfied at one point in time, typically on delivery. Revenue is recognised when the Company transfers control over the product to the customers; control of a product refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, that asset. The majority of revenue earned by the Company is derived from the satisfaction of a single performance obligation for each contract which is the sale of products. Sales are measured at the fair value of consideration received or receivable. The amounts of rebates / incentives are estimated and accrued on each of the underlying sales transactions recognised. Returns and customer discounts are recognised in the period in which the underlying sales are recognised based on an estimate basis. The amount of sales returns is calculated on the basis of management's best estimate of the amount of product that will ultimately be returned by customers.

Services

Income from technical service, support services and other management fees is recognised when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists. Income from analytical service is recognised when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists. Revenue is recognised net of taxes and discounts.

Export entitlements

Export entitlements from Government authorities are recognised in the consolidated statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest and dividend income

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. Dividend income from investments is recognised when the right to receive payment has been established.

(viii) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets (ROU)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies (xix)(b) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Nature of the assets	**Useful life in years**
ROU-Land	50-99
ROU- Building	3-99
ROU- Computers	5
ROU- Vehicle	3-4
ROU- plant and machinery	3-6

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(ix) Foreign currency transactions and translation

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss in the year in which it arises except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the consolidated statement of profit and loss on disposal of net investment.

The assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items 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. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interest as appropriate). Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange difference on capital expenditure are not capitalised but charged to the consolidated statement of profit and loss.

The financial statements of group companies whose functional currency is the currency of a hyperinflationary economy are adjusted for inflation and then translated into INR using the balance sheet exchange rate (Also refer note xxvii below).

(x) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or erection of qualifying assets are added to the cost of those assets, until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get 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 the consolidated statement of profit and loss in the period in which they are incurred.

(xi) Employee benefits

a) Defined contribution plans:

The Company has defined contribution plans for post-employment benefits in the form of provident fund which is administered through Government of India. Provident fund is classified as defined contribution plans as the Group has no further obligation beyond making the contributions. The Group's contributions to defined contribution plans are charged to the consolidated statement of profit and loss as and when employee renders related service.

b) Defined benefit plans:

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

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group’s gratuity scheme and termination benefits are in the nature of defined benefit plans. The gratuity scheme is funded by the Group with Life Insurance Corporation of India. For defined benefit plans, the cost of providing benefit is determined using projected unit credit method, with actuarial valuation being carried out at the end of each financial year. Re-measurement, 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. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the consolidated statement of profit and loss. Past service cost is recognised in the consolidated 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
- re-measurement gain / (loss).

The Group presents the first two components of defined benefit costs in the consolidated statement of profit and loss in the line item 'Employee benefits expense' and ‘Finance costs’ respectively. 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 recognise any related restructuring costs.

c) Short-term employee benefits

A liability is recognised for short-term employee benefit in respect of wages and salaries, annual leave, medical and leave travel in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

d) Other employee benefits

Other employee benefits comprise of leave encashment, which is provided for, based on the actuarial valuation carried out as at the end of the year. Liabilities recognised in respect of other employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(xii) Share-based compensation

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled Share-based transactions are set out in Note 51. 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 period, 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 period, 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 the consolidated 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.

(xiii) Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of profit and loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

a) 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 consolidated 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 each reporting period.

Minimum alternative tax ('MAT') paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability. MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Group and asset can be measured reliably.

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. The Group applies significant judgement in identifying uncertainties over income tax treatments. Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions. The Appendix did not have any significant impact on the consolidated financial statements of the Company.

b) 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 and the carry forward of unused tax credits and unused tax losses 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. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 profit will be available to allow all or part of the deferred tax asset to be utilised.

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

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 each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

(xiv) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are recognised and depreciated separately. Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values, using the straight-line method, over the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful life estimated on technical assessment, past trends and differ from those provided in Schedule II of the Companies Act, 2013.

Nature of the assets	**Useful life in years**
Factory building	10-30
Plant and machinery	2-16
Furniture and fixtures	10-16

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 estimates are accounted for on a prospective basis. Depreciation on additions / deletions to property, plant and equipments is provided pro rata from the month of addition / till the month of deletion.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the consolidated statement of profit and loss as incurred.

Derecognition of property, plant & equipment

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 the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

(xv) Intangible assets

a) Intangible assets acquired separately

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. 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. Cost includes any directly attributable incidental expenses necessary to make the assets ready for use.

b) Internally generated intangible asset- 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 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 the consolidated statement of profit and loss in the period in which it is incurred. 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.

c) Subsequent costs

Subsequent costs is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally generated intangibles, are recognised in the consolidated statement of profit and loss as incurred.

d) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination which are recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

e) Useful lives of intangible assets

Estimate useful lives of the intangible assets are as follow:

Nature of the assets	**Useful life in years**
Product / process development	5
Marketing rights	5
Software	3-5
Brand	5-20
Customer relationship	5
Registration fees	2-10

f) 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 the consolidated statement of profit and loss when the asset is derecognised.

(xvi) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on First In First Out (FIFO) Basis as follows:

(i) Raw materials, packing materials, fuel and consumables: At actual purchase cost including other cost incurred in bringing materials / consumables to their present location and condition.

(ii) Work-in-progress and Intermediates: At material cost, conversion costs and appropriate share of production overheads based on normal capacity.

(iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads based on normal capacity.

(iv) Stock-in-trade: At purchase and other costs incurred in bringing the inventories to their present location and condition.

However, materials and other items held for use in production of inventory are not written down below cost, if the finished product in which they will be used are expected to be sold at or above cost.

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

(xvii) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits 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 each reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group 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 the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised but are disclosed in the notes to consolidated financial statements. Contingent assets are not recognised but are disclosed in the notes to consolidated financial statements when economic inflow is probable.

(xviii) Financial instruments

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

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Loans and borrowings and payables are recognised net of directly attributable transactions costs.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest rate ('EIR') method, less any impairment loss. Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Equity instruments at fair value through other comprehensive income (FVTOCI)

All equity instruments are measured at fair value. Equity instruments held for trading is classified as fair value through profit and loss (FVTPL). For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI. There is no recycling of the amount from OCI to the consolidated statement of profit and loss, even on sale of the instrument. However, the Group may transfer the cumulative gain or loss within the equity.

(iii) Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets included within the FVTPL category are measured at fair values with all changes in the consolidated statement of profit and loss.

(iv) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or the financial assets is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new assets obtained less any new liability assumed) shall be recognised in the consolidated statement of profit and loss except for debt and equity instruments carried through FVTOCI which shall be recognised in OCI.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

All amounts are in ₹ million unless otherwise stated

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

(iii) Derecognition of financial liabilities

The Group derecognises financial liabilities only when, the obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

c) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in the consolidated statement of profit and loss.

d) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 – Revenue from contract with customers

e) Foreign exchange gains and losses on financial assets and financial liabilities

- The fair value of financial assets / liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.
- For foreign currency denominated financial assets / liabilities measured at amortised cost and FVTPL, the exchange differences are recognised in the consolidated statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the consolidated statement of profit and loss.
- For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the consolidated statement of profit and loss.

(xix) Impairment

a) Financial assets

In accordance with Ind AS 109 - Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at the end of each reporting period, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the consolidated statement of profit and loss. This amount is reflected under the head "other expenses" in the consolidated statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable:

ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine to the extent of impairment, if any. Where 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.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash-generating units(CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the consolidated statement of profit and loss and is not reversed in the subsequent period.

(xx) Earnings per share

Basic EPS is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS 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. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

All amounts are in ₹ million unless otherwise stated

(xxi) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

(xxii) Cash and cash equivalents

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

(xxiii) Segment

Segments have been identified taking into account the nature of business, the differing risks and returns, the organisational structure and the internal reporting system.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the geographic segment of its business separately for the purpose of making decisions about resource allocation and performance assessment. The Group is mainly engaged in the business of pharmaceuticals. Considering the nature of business and financial reporting of the Group, the Group has only one business segment viz; pharmaceuticals as primary reportable segment.

(xxiv) Cash dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(xxv) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(xxvi) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting.

All other liabilities are classified as non-current.

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

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

(xxvii) Hyperinflatonery Economies

The Group applies IND AS 29 'Financial Reporting in Hyperinflationary Economies' for the subsidiaries whose functional currency is the currency of Hyperinflation economy. In determining whether the economy is under the hyperinflation, both qualitative and quantitative factors are considered, including whether the cumulative inflation rate over three years is approaching, or exceeds, 100%.

The application of IND AS 29 includes:

- adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date;
- adjustment of revenue and expenses for inflation during the reporting period;
- adjustment in statement of profit and loss account to reflect the impact of inflation rate movement on holding non-monetary assets and liabilities (including equity) in hyperinflationary currency; and
- adjustment of inflation on goodwill in retained earnings (refer note 53).

Further, in accordance with Ind AS 21 'The Effects of Changes in Foreign Exchange Rates', the comparatives amounts in the Consolidated Financial Statements are not adjusted for subsequent changes in the price level i.e. consumer price index for the hyperinflationary economy.

2A. Use of estimates and management judgements

In application of the accounting policies, which are described in note 2A, the management of the Group is 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 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 estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

(i) Useful life of property, plant and equipment and intangible assets

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is 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.

All amounts are in ₹ million unless otherwise stated

(ii) Impairment

An impairment loss is recognised for the amount by which an asset's / investment's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected discounted future cash flows from each asset or cash-generating unit.

(iii) Deferred tax

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

(iv) Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(v) Post-retirement benefit plans

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of each reporting period on the government bonds.

(vi) 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.

(vii) Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses black scholes model Employee Share Option Plan. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 51.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3a Property, plant and equipment

Cost	Freehold land	Lease hold improvement	Buildings	Furniture and fixtures	Office equipment	Computers	Plant and machinery	Vehicles	Total
Balance as on 01 April 2022	**85.13**	**5.18**	**1,095.09**	**59.45**	**38.23**	**74.97**	**2,520.16**	**96.53**	**3,974.74**
Additions during the year	-	2.31	61.41	14.78	2.98	9.96	206.15	6.46	304.05
Hyperinflation adjustment (Refer note 53)	7.43	-	99.93	6.73	6.46	3.43	313.13	53.64	490.75
Effect of foreign currency exchange differences	2.21	2.74	1.18	2.18	(2.87)	0.29	64.77	(2.31)	68.19
Less: Deletions during the year	-	-	32.33	4.74	16.24	-	178.37	15.76	247.44
Balance as on 31 March 2023	**94.77**	**10.23**	**1,225.27**	**78.40**	**28.55**	**88.65**	**2,925.84**	**138.56**	**4,590.28**
Additions during the year	2.90	4.60	184.63	7.92	3.63	11.99	519.27	10.08	745.02
Hyperinflation adjustment (Refer note 53)	1.30	-	21.22	2.58	1.74	0.72	40.50	8.71	76.77
Effect of foreign currency exchange differences	(6.51)	0.14	(56.80)	(5.39)	(0.87)	(0.63)	(81.76)	(32.24)	(184.08)
Less: Assets classified as held for sale (Refer note 3b(ii))	0.36	-	63.78	-	-	-	-	-	64.13
Less: Deletions during the year	-	-	1.05	2.34	0.88	8.07	206.11	18.06	236.51
Balance as on 31 March 2024	**92.10**	**14.97**	**1,309.49**	**81.17**	**32.17**	**92.66**	**3,197.74**	**107.05**	**4,927.35**

Accumulated depreciation	Freehold land	Lease hold improvement	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Balance as on 01 April 2022	**-**	**1.16**	**244.92**	**26.87**	**27.80**	**44.05**	**1,356.38**	**63.95**	**1,765.13**
Depreciation expenses for the year (refer note 40)	-	0.28	51.69	8.35	5.66	13.80	291.25	10.77	381.80
Hyperinflation adjustment (Refer note 53)	-	-	23.21	6.00	4.47	3.08	116.42	41.31	194.49
Effect of foreign currency exchange differences	-	1.96	0.76	2.06	(2.69)	0.42	57.89	(0.69)	59.72
Less: Deletions during the year	-	-	16.88	2.98	13.21	-	95.96	13.95	142.98
Balance as on 31 March 2023	**-**	**3.40**	**303.70**	**40.30**	**22.03**	**61.35**	**1,725.98**	**101.39**	**2,258.16**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3a Property, plant and equipment (Contd.)

Accumulated depreciation	Freehold land	Lease hold improvement	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Depreciation expenses for the year (refer note 40)	-	0.36	70.14	7.91	2.43	13.02	345.18	8.38	447.42
Hyperinflation adjustment (Refer note 53)	-	-	4.43	2.16	1.09	0.60	28.94	7.60	44.82
Effect of foreign currency exchange differences	-	0.02	(6.65)	(3.86)	(0.63)	(0.86)	(62.39)	(18.58)	(92.97)
Less: Assets classified as held for sale (Refer note 3b(ii))	-	-	20.62	-	-	-	-	-	20.62
Less: Deletions during the year	-	-	0.32	1.64	0.77	7.49	170.45	14.97	195.64
Balance as on 31 March 2024	**-**	**3.78**	**350.68**	**44.87**	**24.15**	**66.62**	**1,867.26**	**83.82**	**2,441.18**

Carrying amount	Freehold land	Lease hold improvement	Buildings	Furniture and fixtures	Office equipments	Computers	Plant and machinery	Vehicles	Total
Balance as on 31 March 2023	**94.77**	**6.82**	**921.57**	**38.10**	**6.52**	**27.31**	**1,199.86**	**37.17**	**2,332.12**
Balance as on 31 March 2024	**92.10**	**11.19**	**958.81**	**36.30**	**8.02**	**26.04**	**1,330.48**	**23.23**	**2,486.17**

Notes: -

1. Title deeds of all the immovable properties are held in the name of the respective subsidiaries.
2. Refer note 23 and 28 for charge created on the assets.
3. Refer Note 47 for capital commitments.

3.b Right-of-use assets (ROU)

Cost	ROU -Land	ROU -Building	ROU -Computer	ROU -Vehicles	ROU -Plant and machinery	Total
Balance as on 01 April 2022	**673.59**	**406.54**	**10.45**	**20.37**	**53.44**	**1,164.39**
Additions during the year (Refer note 55)	-	7.93	-	8.20	-	16.13
Hyperinflation adjustment (Refer note 53)	-	5.28	-	-	0.13	5.41
Effect of foreign currency exchange differences	-	12.44	-	-	(0.06)	12.38
Less: Assets classified as held for sale (Refer note (i) below)	111.06	-	-	-	-	111.06
Less: Deletions during the year	-	145.56	0.38	3.83	12.14	161.91
Balance as on 31 March 2023	**562.53**	**286.63**	**10.07**	**24.74**	**41.37**	**925.34**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3.b Right-of-use assets (ROU) (Contd.)

Cost	ROU -Land	ROU -Building	ROU -Computer	ROU -Vehicles	ROU - Plant and machinery	Total
Additions during the year (Refer note 55)	-	-	-	0.71	-	0.71
Hyperinflation adjustment (Refer note 53)	-	1.94	-	-	0.09	2.03
Effect of foreign currency exchange differences	0.01	44.30	-	(0.03)	0.61	44.89
Less: Assets classified as held for sale (Refer note (ii) below)	80.78	-	-	-	-	80.78
Less: Deletions during the year	-	40.67	-	4.59	40.80	86.06
Balance as on 31 March 2024	**481.76**	**292.20**	**10.07**	**20.83**	**1.27**	**806.13**

Accumulated depreciation	ROU -Land	ROU -Building	ROU -Computer	ROU -Vehicles	ROU - Plant and machinery	Total
Balance as on 01 April 2022	**26.63**	**118.66**	**10.21**	**17.26**	**26.86**	**199.62**
Depreciation expenses for the year (refer note 40)	8.39	54.32	2.43	4.04	0.99	70.16
Effect of foreign currency exchange differences	-	2.51	-	-	-	2.51
Less: Deletions during the year	-	2.88	2.57	3.90	2.77	12.11
Less: Assets classified as held for sale (Refer note (i) below)	10.14					10.14
Balance as on 31 March 2023	**24.88**	**172.61**	**10.07**	**17.40**	**25.09**	**250.05**
Depreciation expenses for the year (refer note 40)	5.97	52.63	-	3.76	0.04	62.41
Effect of foreign currency exchange differences	-	32.67	-	(0.12)	0.45	33.00
Less: Assets classified as held for sale (Refer note (ii) below)	4.75	-	-	-	-	4.75
Less: Deletions during the year	-	22.21	-	3.32	24.31	49.85
Balance as on 31 March 2024	**26.10**	**235.70**	**10.07**	**17.72**	**1.27**	**290.86**

Carrying amount	ROU -Land	ROU -Building	ROU -Computer	ROU -Vehicles	ROU - Plant and machinery	Total
Balance as on 31 March 2023	**537.65**	**114.03**	**-**	**7.34**	**16.28**	**675.29**
Balance as on 31 March 2024	**455.66**	**56.50**	**-**	**3.11**	**-**	**515.27**

Notes: -

(i) The Group has recognized gain of ₹ 44.32 million for the year ended 31 March 2024 under the head "Other Income" on transfer of leasehold rights of its Ambernath land having a total carrying value of ₹ 100.92 million, which was classified as "Assets held for Sale" in the consolidated financial statements as at 31 March 2023.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

3.b Right-of-use assets (ROU) (Contd.)

(ii) During the current year ended 31 March 2024, the Group has entered into a Memorandum of Understanding (MOU) for the transfer of leasehold rights and building at its Tarapur facility for a consideration of ₹ 115.80 million (advance of ₹ 81 million received as at 31 March 2024). The carrying value of leasehold rights (₹ 76.03 million) and freehold land and building (₹ 43.16) million has been classified as “Asset held for Sale” as at 31 March 2024.

(iii) During the current year ended 31 March 2024, the Company has entered into a Memorandum of Understanding (MoU) for the transfer of leasehold rights at Ambernath (Maharashtra) for a consideration of ₹ 39.00 million (advance of ₹ 19.60 million received as at 31 March 2024). The carrying value of the leasehold land (₹ 35.16 million) has been classified as "Asset held for sale" as at 31 March 2024.

3c Capital work-in-progress

i. Ageing schedule as on 31 March 2024

Project Name	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	88.36	22.45	-	-	110.81

ii. Projects whose completion is overdue as compared to its original plan as on 31 March 2024

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66.79	12.48	-	-	79.27

iii. Ageing schedule as on 31 March 2023

Project Name	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	411.75	28.44	0.27	-	440.46
Projects temporarily suspended	73.39	0.02	-	-	73.41

iv. Projects, whose completion is overdue as compared to its original plan as on 31 March 2023

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	73.41	-	-	-	73.41

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

4 Goodwill

Carrying amount of:	**As at 31 March 2024**	**As at 31 Mar 2023**
Goodwill	2,349.34	2,400.42
Total	**2,349.34**	**2,400.42**

	As at 31 March 2024	**As at 31 Mar 2023**
Balance at the beginning of the year	2,400.42	1,807.84
Impairment on goodwill (Refer note 43(F))	-	(204.09)
Hyperinflation Impact	6.59	734.64
Effect of foreign currency exchange differences	(57.67)	62.03
Balance at the end of the year	**2,349.34**	**2,400.42**

4.1 Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units. The carrying amount of goodwill allocated to cash-generating units is as follows:

Group (CGU)	**As at 31 March 2024**	**As at 31 Mar 2023**
Turkey group	685.94	752.31
Spain group	712.00	707.19
Fendigo group	305.72	303.65
Brazil Group	411.90	402.18
Sweden Group	105.40	106.71
SeQuent Research Limited	94.53	94.53
Others	33.85	33.85
Total	**2,349.34**	**2,400.42**

Goodwill is monitored by the Group at each cash-generating unit (CGU) level. The Group tests goodwill for impairment on an annual basis. The recoverable amount has been determined based on value in use calculations which uses cash flow projections based on financial budgets covering a period of five years. The planning horizon reflects the assumptions for short to mid-term market developments. The key assumptions used for the calculations were as follows:

	As at 31 March 2024	**As at 31 March 2023**
Discount rate	11% - 25%	11% - 23%
Long term growth rate	2% - 7.5%	2% - 7.5%

The management believe that any reasonably possible change in the key assumption on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The goodwill is tested for impairment and accordingly impairment charges of ₹ NIL were identified for year ended 31 March 2024 (31 March 2023: ₹ 204.09) which were recognized under "Exceptional Items" in the statement of profit and loss. (Refer note 43)

All amounts are in ₹ million unless otherwise stated

5 Other intangible assets

Cost	**Product / process development**	**Software**	**Brands, marketing rights and trade mark**	**Customer relationship**	**Registration fees**	**Total**
Balance as on 01 April 2022	**101.39**	**154.37**	**904.58**	**69.02**	**74.52**	**1,303.88**
Additions during the year	-	2.65	-	-	13.21	15.86
Hyperinflation adjustment (Refer note 53)	-	10.83	135.19	-	-	146.02
Effect of foreign currency exchange differences	0.83	8.86	30.59	-	27.99	68.27
Less: Deletions during the year	-	15.98	3.58	-	32.20	51.76
Balance as on 31 March 2023	**102.22**	**160.73**	**1,066.78**	**69.02**	**83.52**	**1,482.27**
Additions during the year	-	20.50	-	-	3.74	24.24
Hyperinflation adjustment (Refer note 53)	-	3.13	0.66	-	-	3.79
Effect of foreign currency exchange differences	0.98	(6.98)	3.72	-	0.58	(1.70)
Less: Deletions during the year	-	0.24	-	-	-	0.24
Balance as on 31 March 2024	**103.20**	**177.14**	**1,071.16**	**69.02**	**87.84**	**1,508.36**

Accumulated amortisation	**Product / process development**	**Software**	**Brands, marketing rights and trade mark**	**Customer relationship**	**Registration fees**	**Total**
Balance as on 01 April 2022	**73.45**	**105.27**	**369.72**	**69.02**	**24.23**	**641.69**
Amortisation expense for the year (refer note 40)	7.55	14.21	75.38	-	7.83	104.97
Hyperinflation adjustment (Refer note 53)	-	8.50	74.36	-	-	82.86
Effect of foreign currency exchange differences	0.02	8.40	17.14	-	27.84	53.40
Less: Deletions during the year	4.21	10.07	2.27	-	29.38	45.93
Balance as on 31 March 2023	**76.81**	**126.31**	**534.33**	**69.02**	**30.52**	**836.99**
Amortisation expense for the year (refer note 40)	7.44	10.46	78.95	-	8.72	105.57
Hyperinflation adjustment (Refer note 53)	-	2.30	-	-	-	2.30
Effect of foreign currency exchange differences	0.30	(5.07)	(0.47)	-	0.22	(5.02)
Less: Deletions during the year	-	0.18	-	-	-	0.18
Balance as on 31 March 2024	**84.55**	**133.82**	**612.81**	**69.02**	**39.46**	**939.66**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

Carrying amount	Product / process development	Software	Brands, marketing rights and trade mark	Customer relationship	Registration fees	Total
Balance as on 31 March 2023	**25.42**	**34.42**	**532.43**	**-**	**53.00**	**645.27**
Balance as on 31 March 2024	**18.65**	**43.32**	**458.35**	**-**	**48.38**	**568.70**

5a Intangible assets under development

Particular	As at 31-Mar-2024	As at 31-Mar-2023
Intangible assets under development*	48.51	38.96

*The above assets include software.

i. Ageing schedule as on 31 March 2024

Project Name	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22.15	14.06	12.30	-	48.51

ii. Projects, whose completion is overdue as compared to its original plan as on 31 March 2024

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

iii. Ageing schedule as on 31 March 2023

Project Name	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	26.75	12.21	-	-	38.96

iv. Projects, whose completion is overdue as compared to its original plan as on 31 March 2023

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

6 Non-current investments

		Face Value	No. of shares	As at 31 March 2024	No. of shares	As at 31 March 2023
A	**Unquoted equity instruments (fully paid-up) carried at fair value through Profit or Loss**					
i)	Ambarnath Chemical Manufacturers Association	₹ 10.00	1,000	0.01	1,000	0.01
ii)	Tarapur Industrial Manufacturers Association	₹ 10.00	2,000	0.04	2,000	0.04
	Total (A)			**0.05**		**0.05**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

6 Non-current investments (Contd.)

		Face Value	No. of shares	As at 31 March 2024	No. of shares	As at 31 March 2023
B	**Unquoted mutual funds - carried at fair value through profit or loss**					
i)	Aditya Birla Sun Life Low Duration Fund (Growth)*	₹ 100.00	14,777	8.88		-
	Total (B)			**8.88**		**-**
	Total (A+B)			**8.93**		**0.05**
	Aggregate carrying value of unquoted investments			0.05		0.05
	Aggregate net asset value of investment in mutual funds			8.88		-
	Aggregate amount of impairment in value of investments			-		-

*Note - The investment in above mutual funds are marked as lien in favour of Aditya Birla Finance Limited against the loan availed from the respective financial institution.

7 Other non-current financial assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Margin money deposits (Refer note below)	0.12	0.12
Security deposits	56.25	91.86
Others	66.53	70.96
Total	**122.90**	**162.94**

Note:

Balances in margin money deposits are held as security against borrowings, guarantees and other commitments.

8 Deferred tax assets (refer note 44)

	As at 31 March 2024	As at 31 March 2023
- Temporary differences on account of depreciation	128.40	77.60
- Expenses allowable on payment basis	65.46	56.89
- Temporary differences on account of hyperinflation	24.25	40.40
- Unabsorbed depreciation and carried forward of losses	396.37	104.84
- Temporary differences on account of right-of-use assets	15.74	15.45
- Others	(24.43)	(27.10)
- MAT credit entitlement	177.76	185.54
Total	**783.55**	**453.62**

9 Income tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Advance income tax (net of provision : ₹ 504.72) (31 March 2023 : ₹ 496.05)	129.52	120.55
	129.52	**120.55**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

10 Other non-current assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Capital advances	2.53	2.18
Prepaid expenses	12.32	9.23
Balance with government autority	1.52	2.66
Subsidy Receivable	35.21	35.21
Total	**51.58**	**49.28**

11 Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials and packing materials	1,131.91	1,315.92
Goods-in-transit (inward)	35.15	96.36
	1,167.06	**1,412.28**
Work-in-progress and intermediates	533.63	489.14
Finished goods	1,221.98	602.27
Stock-in-trade	363.00	673.94
Goods-in-transit (outward)	171.11	277.76
Fuel & Consumables	5.54	5.50
Total Inventories (Lower of Cost or Net realisable value (NRV))	**3,462.32**	**3,460.89**

Note:

(i) During the year ended 31 March 2024, ₹ 47.52 (31 March 2023 : ₹ 19.10) was recognised as an expense towards provision for slow moving, expired and near expiry inventories.

(ii) During the year ended 31 March 2024, ₹ 38.18 (31 March 2023: ₹ 22.84) was recognised as an expense for inventories carried at net realisable value.

12 Current investments

		Face value	No. of shares / units	As at 31 March 2024	No. of shares / units	As at 31 March 2023
A	**Quoted equity instruments (fully paid-up) carried at fair value through other comprehensive income**					
i)	Techindia Nirman Limited	₹ 10	-	-*	-	-*
ii)	Agritech (India) Limited	₹ 10	4,927	1.12	4,927	0.46
	Total (A)			**1.12**		**0.46**
B	**Quoted mutual funds - carried at fair value through profit or loss**					
i)	Aditya Birla Sun Life Low Duration Fund (Growth)	₹ 100	74,230	25.01	-	-
	Total (B)			**25.01**		**-**
	Total (A + B)			**26.13**		**0.46**
Aggregate market value of quoted investments						
Aggregate net asset value of investment in mutual funds				**1.12**		**0.46**
Aggregate amount of impairment in value of investments				**25.01**		

* Represent amounts lower than ₹ 10,000.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

13 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Unsecured		
Considered good	3,356.31	3,409.62
Considered doubtful	33.48	30.07
	3,389.79	**3,439.69**
Less: Allowance for doubtful trade receivables	33.48	30.07
Total	**3,356.31**	**3,409.62**

Notes:

1. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member except disclosed in note 49.
2. Trade receivables ageing is as below:

As on 31 March 2024

Particular	Outstanding for following periods From due date of Payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	2,787.79	386.91	91.79	80.24	7.50	0.26	3,354.49
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	3.59	5.42	0.85	6.61	16.47
(iii) Undisputed Trade Receivables -Credit impaired	-	7.93	0.74	0.26	-	-	8.93
(iv) Disputed Trade Receivables - considered good	-	-	1.82	-	-	-	1.82
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	0.27	-	-	-	0.27
(vi) Disputed Trade Receivables - Credit impaired	-	-	0.15	0.09	5.97	1.60	7.81
Total	**2,787.79**	**394.84**	**98.36**	**86.01**	**14.32**	**8.47**	**3,389.79**

As on 31 March 2023

Particular	Outstanding for following periods From due date of Payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	2,740.51	585.64	24.48	13.91	10.89	34.19	3,409.62
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	2.12	0.76	5.04	7.92
(iii) Undisputed Trade Receivables -Credit impaired	-	0.05	-	0.71	7.12	6.67	14.55
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	5.96	-	1.64	7.60
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Total	**2,740.51**	**585.69**	**24.48**	**22.70**	**18.77**	**47.54**	**3,439.69**

Note - There are no unbilled trade receivables, hence the same is not disclosed in the ageing schedule.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

14 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- In current accounts	641.62	414.22
- In deposit accounts	4.88	0.76
Cheque in hand	1.00	0.18
Cash on hand	0.60	0.58
Total	**648.10**	**415.74**
Cash and cash equivalents as defined in Ind AS 7 - Statements of Cash Flows	**648.10**	**415.74**

15 Bank balances other than above (note 14)

	As at 31 March 2024	As at 31 March 2023
In earmarked accounts		
- Unpaid dividend accounts	0.29	0.29
- Margin money deposits (refer note below)	49.91	1.43
Total	**50.20**	**1.72**

Note: Balances in margin money deposits are held as security against borrowings, guarantees and other commitments.

16 Financial asset - Loan (current)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Loan to employees	1.41	2.88
Loan to other parties	-	0.47
Total	**1.41**	**3.35**

17 Other current financial assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Claims receivable	2.28	4.37
Foreign exchange forward contracts at FVTPL	2.08	6.43
Interest accrued on fixed deposits	1.02	0.05
Others receivable*	13.62	0.05
Total	**19.00**	**10.90**

*Others receivable includes receivable in respect of sale of property, plant and equipment during the current year.

18 Income tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision : ₹ 175.11) (31 March 2023 : ₹ 34.65)	3.72	35.51
	3.72	**35.51**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

19 Other current assets

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Advance to suppliers	67.76	67.66
Balances with government authorities	389.71	325.60
Prepaid expenses	66.96	61.69
Others	17.75	4.80
Total	**542.18**	**459.75**

20 Equity share capital

	No. of Shares	As at 31 March 2024	No. of Shares	As at 31 March 2023
(a) Authorised				
Equity shares of ₹ 2 each	40,00,00,000	800.00	40,00,00,000	800.00
(b) Issued, subscribed and fully paid-up				
Equity shares of ₹ 2 each	24,94,33,495	498.86	24,94,33,495	498.86
Total		**498.86**		**498.86**

Notes:

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

Fully paid equity shares	No. of Shares	Share capital
Balance as at 01 April 2022	**24,83,70,995**	**496.73**
Shares issued during the year	10,62,500	2.13
Balance as at 31 March 2023	**24,94,33,495**	**498.86**
Shares issued during the year	-	-
Balance as at 31 March 2024	**24,94,33,495**	**498.86**

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. The dividend proposed by board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

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

(iii) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
CA Harbor Investments	13,16,80,103	52.79%	13,16,80,103	52.79%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

20 Equity share capital (Contd.)

(iv) Details of shares held by promoter

Name of promoter	As at 31 March 2024			As at 31 March 2023		
	No of shares	% of total Shares	% Change during the year	No of shares	% of total Shares	% Change during the year
1. CA Harbor Investments	13,16,80,103	52.79%	-	13,16,80,103	52.79%	-

(v) 4,12,250 shares of ₹ 2 each (31 March 2023 : 9,62,250 shares) are reserved towards outstanding employee stock options granted / available for grant.

21 Other equity

		As at 31 March 2024	As at 31 March 2023
a)	Capital reserve	24.80	24.80
b)	Securities premium account	9,003.24	9,003.24
c)	Employees stock options outstanding account	773.08	563.18
d)	General reserve	245.26	232.88
e)	Retained earnings	957.12	996.85
f)	Reserve for equity instruments through Other comprehensive income	(1.07)	(1.73)
g)	Treasury reserve	(24.72)	(57.71)
h)	Translation reserve	(2,178.02)	(1,539.64)
i)	Other reserves	(2,732.95)	(2,732.95)
	Total	**6,066.74**	**6,488.92**

		As at 31 March 2024	As at 31 March 2023
(a)	**Capital reserve**		
	Balance at the beginning of the year	24.80	24.80
	Balance at the end of the year	**24.80**	**24.80**
(b)	**Securities premium account**		
	Balance at the beginning of the year	9,003.24	8,742.55
	Add: Premium on exercise of options - proceeds received	-	260.69
	Balance at the end of the year	**9,003.24**	**9,003.24**
(c)	**Employees stock options outstanding account**		
	Balance at the beginning of the year	563.18	379.58
	Add: Employee stock option expenses	222.28	354.11
	Less: Transferred to securities premium account on exercise of option	-	(170.51)
	Less: Transferred to general reserve on vested ESOP lapsed during the year	(12.38)	-
	Balance at the end of the year	**773.08**	**563.18**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

21 Other equity (Contd.)

	As at 31 March 2024	As at 31 March 2023
(d) General reserve		
Balance at the beginning of the year	232.88	232.88
Add: Vested ESOP lapsed during the year	12.38	-
Balance at the end of the year	**245.26**	**232.88**
(e) Retained earnings		
Balance at the beginning of the year	996.85	885.91
Add: Profit / (Loss) for the year	(358.69)	(1,211.59)
Add: Hyperinflation restatement upto 1 April 2022 (refer note 53)	-	748.00
Add: Hyperinflation adjustment (refer note 53)	308.65	455.33
Add: Profit on sale of Treasury Shares	26.85	-
Add: Transfer from reserve for equity instruments through other comprehensive income	-	141.81
Less: Other comprehensive income / (expense) arising from remeasurement of defined benefit obligations, net of income tax	(16.54)	(22.61)
Balance at the end of the year	**957.12**	**996.85**
(f) Reserve for equity instruments through other comprehensive income		
Balance at the beginning of the year	(1.73)	261.52
Add / (less): Net fair value gain / (loss) on investment in equity instruments at FVTOCI	0.66	(142.46)
Less: Transfer to retained earnings on sales of quoted equity investments carried at FVTOCI	-	(141.81)
Less: Income tax	-	(7.78)
Less: Deferred tax		28.80
Balance at the end of the year	**(1.07)**	**(1.73)**
(g) Treasury reserve		
Balance at the beginning of the year	(57.71)	(57.71)
Less: Cost of treasury shares sold during the year	32.99	-
Balance at the end of the year	**(24.72)**	**(57.71)**
(h) Translation reserve		
Balance at the beginning of the year	(1,539.64)	(1,403.72)
Add / (less): Movement during the year	(635.65)	(117.44)
Add / (less): Transfer to non-controlling interest	(2.73)	(18.48)
Balance at the end of the year	**(2,178.02)**	**(1,539.64)**
(i) Other reserves		
Balance at the beginning of the year	(2,732.95)	(2,732.95)
Balance at the end of the year	**(2,732.95)**	**(2,732.95)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

Nature and purpose of Reserves

(a) Capital reserve

Capital reserves pertains to amalgamation of subsidiary company and the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

(b) Securities premium account

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued. The reserves can be utilized only for limited purposes such as issuance of bonus shares in accordnace with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

This relate to shares granted to the employees of the Group.

(d) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(e) Retained earnings

Retained earnings are the profits / (loss) that the Company has earned / incurred till the date, less any transfers to general reserve and dividends or other distributions paid to shareholders.

(f) Reserve for equity instruments through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains (net of losses) arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

(g) Treasury reserve

Treasury reserve represents the shares of the Company held by ESOP Trust.

(h) Translation reserve

These comprise of all exchange differences arising from translation of financial statements of foreign subsidiaries.

(i) Other reserves

Other reserves represents premium on acquisition of the additional stake after obtaining control in various subsidiaries.

22 Non-controlling interest (NCI)

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	504.12	480.06
Share of profit / (loss) for the year	62.56	(8.18)
Share of other comprehensive income / (expenses) for the year	2.73	18.48
Dividend outflow	(0.76)	(3.02)
Effect of foreign currency exchange difference on opening NCI	(4.66)	16.78
Balance at the end of the year	**563.99**	**504.12**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

23 Non-current borrowings

	As at 31 March 2024	As at 31 March 2023
Secured term loan - at amortised cost		
From bank	834.27	1,135.85
From other parties	403.33	3.66
Unsecured term loan - at amortised cost		
From bank	180.06	303.44
From other parties	9.53	58.13
Total	**1,427.19**	**1,501.08**

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
A) Secured term loan from banks:			
HSBC Limited: The loan is secured by first charge on the entire fixed assets of the Alivira Animal Health Limited, India including immovable properties both present and future, Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited, shortfall undertaking from SeQuent Scientific Limited, Charge of assignement on the intercompany loan given to Provet Veteriner Ürünleri San. Ve Tic. A. Ş. and floating charge on the current account of the company.	Repayable in 18 quarterly instalments, commencing from July 2021. Repayable fully by Sep 2025.	124.12	429.72
Citi Bank: The loan is secured by first pari-passu charge on the entire fixed assets of the Alivira Animal Health Limited, India including immovable properties both present and future, Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited	Repayable in 22 quarterly instalments, commencing from December 2022. Repayable fully by December 2027.	302.65	338.92
Banc Sabadell: First pari-passu charge on fixed assets of the Karizoo Spain K4 building.	Repayable in 180 monthly instalments, commencing from March 2013. Repayable fully by February 2028.	4.65	5.95
HSBC Limited - The loan is secured by first charge on the entire fixed assets of the Alivira Animal Health Limited, India including immovable properties both present and future, unconditional irrevocable corporate guarantee of SeQuent Scientific Limited, shortfall undertaking from SeQuent Scientific Limited, and floating charge on the current account of the Alivira Animal Health Limited, Ireland.	Repayable in 18 quarterly instalments, commencing from Jan 2023.	204.86	292.72
HSBC Limited - The loan is secured by first pari-passu charge on the entire fixed assets of the Alivira Animal Health Limited, India including immovable properties both present and future, Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited.	Repayable in 18 quarterly instalments starting from March 2023	82.82	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

23 Non-current borrowings (Contd.)

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
Caixa Bank - Comfort letter from Sequent Scientific Limited	Repayable in 16 quarterly instalments, commencing from February 2024. Repayable fully by November 2027.	94.24	-
Vakifbank Loan - Secured on trade receivable.	Repayable in 36 monthly instalments, commencing from Aug 2023. Repayable fully by Feb 2026.	20.93	68.54
Total (A)		**834.27**	**1,135.85**

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
B) Unsecured term loan from banks:			
B.B.V.A.	Repayable in 20 quarterly instalments, commencing from October 2019, repayable by July 2024 and fully repaid in May 2024.	-	42.66
B.B.V.A.	Repayable in 20 quarterly instalments, commencing from May 2023. Repayable fully by February 2027.	67.56	74.08
B.B.V.A.	Repayable in 60 monthly instalments, commencing from August 2020 and repaid fully in March 2024.	-	15.16
ABANCA	Repayable in 60 monthly Instalments, commencing from May 2021. Repayable fully by May 2026.	8.06	14.76
Vakıfbank	Repayable in 24 monthly installments commencing from September 2023 to August 2025.	17.66	-
Vakıfbank	Repayable in 36 monthly installments commencing from June 2023 to May 2026.	2.08	-
B.B.V.A.	Repayable in 36 monthly Instalments, commencing from March 2024. Repayable fully by March 2027.	10.52	-
B.S.C.H.	Repayable in 60 monthly Instalments, commencing from February 2024. Repayable fully by February 2029.	3.69	-
Bankia	Repayable in 60 monthly Instalments, commencing from June 2019 and fully repaid in March 2024.	-	1.93
B.S.C.H.	Repayable in 20 quarterly Instalments, commencing from October 2019 and fully repaid in March 2024.	-	6.96
B.S.C.H.	Repayable in 20 quarterly Instalments, commencing from October 2019 and fully repaid in March 2024.	-	6.96
Banc Sabadell	Repayable in 60 monthly Instalments, commencing from December 2019 and fully repaid in March 2024.	-	6.15
Banc Sabadell	Repayable in 60 monthly Instalments, commencing from November 2022. Repayable fully by October 2027.	24.65	32.93

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

23 Non-current borrowings (Contd.)

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
Safra Bank	Loan repayable in 24 months installments, commencing from March 2023 and repayable fully by March 2025	-	8.07
Daycoval Bank	Loan repayable in 36 months installments, commencing from March 2023 and fully repayable by March 2026.	45.84	93.78
Total (B)		**180.06**	**303.44**

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
C) Secured term loan from other parties:			
Tata Capital - The loan is secured by first pari-passu charge on the entire fixed assets of the Alivira Animal Health Limited, India including immovable properties both present and future, Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited	Repayable in 16 equal quarterly Instalments, commencing from February 2025. Repayable fully by February 2029.	187.50	-
Aditya Birla Finance Limited - The loan is secured by exclusive charge on the entire fixed assets located at Mahad and Thane Office of Sequent Scientific Limited, India including immovable properties both present and future and also secured by a charge on the current assets of Alivira Animal Health Limited, India. Further it is also secured by Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited - holding company, shortfall undertaking from SeQuent Scientific Limited.	Repayable in 84 equated monthly installments starting from October 23. Repayable fully by September 2029.	125.75	-
Aditya Birla Finance Limited - The loan is secured by exclusive charge on the entire fixed assets located at Mahad and Thane Office of Sequent Scientific Limited, India including immovable properties both present and future and also secured by a charge on the current assets of Sequent Research Limited. Further it is also secured by Unconditional irrevocable corporate guarantee of SeQuent Scientific Limited - holding company, shortfall undertaking from SeQuent Scientific Limited.	Repayable in 84 equated monthly installments starting from September 2023. Repayable fully by August 2029.	82.72	-
Volkswagen Bank: Hypothecation of vehicle.	Repayable in 48 monthly Instalments, commencing from October 2023. Repayable fully by September 2027.	1.99	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

23 Non-current borrowings (Contd.)

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
BMW Finance: Hypothecation of vehicle.	Repayable in 48 monthly Instalments, commencing from July 2023. Repayable fully by June 2027.	1.70	-
Volkswagen Bank: Hypothecation of vehicle.	Repayable in 36 monthly Instalments, commencing from November 2023. Repayable fully by October 2026.	1.63	-
Volkswagen Bank: Hypothecation of vehicle.	Repayable in 48 monthly Instalments, commencing from November 2023. Repayable fully by October 2027.	2.04	
BMW Bank: Hypothecation of vehicle.	Repayable in 48 monthly instalments, commencing from November 2020. Repayable fully by October 2024.	-	3.66
Total (C)		**403.33**	**3.66**

Particulars	Terms of repayment	As at 31 March 2024	As at 31 March 2023
D) Unsecured term loan from other parties:			
Tokaj Participações Ltda (Previously FITCH PARTICIPACOES LTDA)	Repayable in 108 monthly instalments commencing from January 2020 and repayable fully by December 2024	1.54	36.27
Judiciary Recovery	The loan is repayable in half yearly 18 instalments, commencing from November 2016. Repayable fully by May 2025.	7.99	21.86
Total (D)		**9.53**	**58.13**
Total (A+B+C+D)		**1,427.19**	**1,501.08**

(i) During the year ended 31 March 2024, the interest rates ranges from: 5.31% to 56.72% per annum (31 March 2023: 1.35% to 18.95% per annum).

(ii) Subsequent to the year end, the Group has provided guarantee and pledged 99.99% of equity shares of its Indian subsidiary Alivira Animal Health Limited, 100% equity shares of overseas subsidiaries Alivira Animal Health Limited (Ireland), Provet Veteriner Urunleri San Ve Tic A S (Turkey), Alivira Saude Animal Brasil Participacoes Ltda (Brazil) and 60% of Vila Vina Participacions S.L. (Spain) to secure term loan facility of upto ₹ 1,500 million and USD 25 million (approx. ₹ 2,084 million) respectively from Barclays Bank plc repayable after 3 years, as per the debt restructuring process approved by the Shareholders on March 07, 2024. Pursuant to the above, the Group has drawn ₹ 2,750 million and made a pre-payment of ₹ 1,675 million of the existing term loan facilities and reduced the working capital drawdowns / reimbursement of capital expenditure by ₹ 850 million subsequent to the balance sheet date.

(iii) There are no long-term borrowings guaranteed by any directors or others as at 31 March 2024 and 31 March 2023.

(iv) For the current maturities of long-term borrowings, refer note 28 in current borrowing.

All amounts are in ₹ million unless otherwise stated

24 Lease liabilities

	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities (refer note 55)	290.97	369.70
Total	**290.97**	**369.70**

25 Non-current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity and termination benefits (refer note 50)	65.45	74.68
Compensated absences (refer note below)	29.77	35.42
Provision for Social Security	122.24	104.64
Total	**217.46**	**214.74**

Note:

The provision for compensated absences includes annual leave and vested long service leave entitlement accrued.

26 Deferred tax liabilities (refer note 44)

	As at 31 March 2024	As at 31 March 2023
Deferred tax liabilities		
- Temporary differences on account of depreciation	78.86	72.97
- Temporary differences on account of hyperinflation	12.17	63.55
- Others	(22.30)	(13.99)
Deferred tax liabilities	**68.73**	**122.53**
Deferred tax assets		
- Temporary differences on account of depreciation	128.40	77.60
- Expenses allowable on payment basis	65.46	56.89
- Temporary differences on account of hyperinflation	24.25	40.40
- Unabsorbed depreciation and carried forward of losses	396.37	104.84
- Temporary differences on account of right-of-use assets	15.74	15.45
- Others	(24.43)	(27.10)
- MAT credit entitlement	177.76	185.54
Deferred tax assets	**783.55**	**453.62**

27 Other non-current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory remittances	-	3.70
Total	**-**	**3.70**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

28 Current borrowings

	As at 31 March 2024	As at 31 March 2023
Loans repayable on demand (also refer note 23 (ii))		
Secured loan		
From banks (refer note (i) to (iv) below)	1,828.30	1,305.32
Unsecured loan		
From banks	403.48	515.57
From other parties	226.90	-
Current maturities of long-term borrowings *	626.92	657.01
Total	**3,085.60**	**2,477.90**

Notes:

(i) Working capital loan from bank in Sequent Scientific Limited, is secured by a exclusive charge on current assets of the respective company and by unconditional & irrevocable guarantee from it's wholly-owned-subsidiary Alivira Animal Health Limited, India.

(ii) Loan repayable on demand from banks in subsidiary Alivira Animal Health Limited, India, are secured by a first pari-passu charge on current assets of the respective Company, both present and future, and unconditional irrevocable corporate guarantee of SeQuent Scientific Limited - holding company, shortfall undertaking from SeQuent Scientific Limited.

(iii) Working capital loan from banks by two subsidiaries company (Provet Veteriner Ürünleri San. Ve Tic. A. Ş. and Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.) are secured against trade receivables of respective company.

(iv) Working capital loan from banks by subsidiary company (Alivira Saude Animal Ltda., Brazil) is secured against trade receivables of the respective company.

(v) Refer Note 29 on disclosures related to financing arrangements with financial institutions in respect of payments to certain suppliers of the Group.

(vi) The interest on above loans are in ranges from 0.87% to 56.54% per annum (31 March 2023: 0.75% to 20.27% per annum).

*** The details of interest rates, repayment and other terms are disclosed under note 23. Details of current maturities of long-term debt are mentioned below:**

	As at 31 March 2024	As at 31 March 2023
A) Loan from banks		
HSBC Limited	260.89	258.62
HSBC Limited	36.81	36.81
Caixa Bank	31.72	7.64
Citi Bank	95.91	93.65
Bank Sabadell	1.36	1.29
Bank Sabadell	14.86	17.52
Türkiye Halk Bankasi A.Ş.	-	15.44
B.B.V.A.	4.82	19.64
B.B.V.A.	47.50	60.33
Banco Popular	-	1.83
ABANCA	6.80	6.65
Bankia	1.96	11.46

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

28 Current borrowings (Contd.)

	As at 31 March 2024	As at 31 March 2023
La Caxia	-	-
B.S.C.H	-	29.35
B.S.C.H	0.76	23.45
Vakif Bank	1.18	0.42
Vakif Bank	25.25	15.72
Vakif Bank	17.68	11.78
Total A	**547.50**	**611.62**
B) Loan from Others		
Tata Capital Financial Services Limited: Pari Passu charge over fixed assets	12.50	-
Aditya Birla Finance Limited: Charge over fixed assets	16.39	-
Aditya Birla Finance Limited: Charge over fixed assets and current assets	11.00	-
BMW finance	0.24	2.13
BMW finance	3.69	0.53
Volkswagen Bank	2.67	3.96
Abilo	16.19	27.49
Judiciary Recovery	16.74	11.28
Total B	**79.42**	**45.39**
Total (A+B)	**626.92**	**657.01**

29 Trade payables

	As at 31 March 2024	As at 31 March 2023
Trade payables	2,602.59	2,443.40
Total	**2,602.59**	**2,443.40**

Notes:

(i) Trade payables (other than due to micro and small enterprises) are non-interest bearing and are normally settled on 90 to 120 days.

(ii) The Group's exposure to currency and liquidity risk related to trade payable is disclosed in note 52.

(iii) Trade payable ageing report is as below:

As on 31 March 2024

Particulars	Outstanding for following periods From due date of Payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues							
- Micro enterprises and small enterprises	-	141.86	-	-	-	-	141.86
- Others	270.00	1,721.18	339.23	100.69	7.87	19.67	2,458.64
(ii) Disputed dues							
- Micro enterprises and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	0.96	0.98	0.15	2.09
Total	**270.00**	**1,863.04**	**339.23**	**101.65**	**8.85**	**19.82**	**2,602.59**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

29 Trade payables (Contd.)

As on 31 March 2023

Particulars	Outstanding for following periods From due date of Payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues							
- Micro enterprises and small enterprises	-	74.02	21.79	-	-	-	95.81
- Others	116.59	1,066.57	956.07	71.90	18.73	114.48	2,344.34
(ii) Disputed dues							
- Micro enterprises and small enterprises	-	-	-	-	-	-	-
- Others	-	-	0.96	0.98	0.19	1.12	3.25
Total	**116.59**	**1,140.59**	**978.82**	**72.88**	**18.92**	**115.60**	**2,443.40**

(iv) The Group has entered into an agreement with financial institutions for the supply chain financing arrangement. As per the arrangement, the suppliers may elect to factor their receivable from the Group and receive the payment due from the financial institutions before the due date. As per the arrangement, the financial institutions agrees to pay amounts which Group owes to it's suppliers and the Group agrees to pay the financial institutions at a date later than suppliers are paid.

The nature and function of the liabilities remain the same even after factoring as the Group is neither legally released from its original obligation to the supplier nor the terms of the original liability are amended in a way that is considered a substantial modification. Hence, the Group has not derecognised the liabilities which are factored by the suppliers and disclosed the said amount within trade payables. Further, no additional interest has been paid to the bank by the Group on the amounts due to the suppliers. The payable under supply chain financing arrangement amounts to ₹ 164.01 million as at 31 March 2024 (31 March 2023: ₹ 80.15 million).

Apart from the above, the Group has also entered into arrangements wherein the financial institutions to smoothen the payment process of the suppliers, wherein the Group requests the financial institutions to make payments on the due date agreed with the suppliers and the Group pays to the financial institutions at the end of the extended period of payment. In this case, the Group derecognizes the liabilities towards the suppliers on the date of payment by the financial institutions to the suppliers and recognizes the amounts paid within Borrowings. During the year ended March 31, 2024, the Group has recognized interest expense amounting to ₹ 24.32 million under the aforementioned arrangement. The payable to the financial institution amounts to ₹ 375.52 million under this arrangement which has been recognized under "Short Term Borrowings" in the financial statements as at 31 March 2024.

30 Lease liabilities

	As at 31 March 2024	As at 31 March 2023
Current lease liabilities (refer note 55)	73.17	87.27
Total	**73.17**	**87.27**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

31 Other current financial liabilities

	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	9.95	5.64
Payables on purchase of property, plant and equipments	19.48	63.57
Unclaimed dividends	0.29	0.29
Foreign exchange forward contracts at FVTPL	7.10	6.89
Other current liabilities	19.37	34.44
Total	**56.19**	**110.83**

32 Current provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity and termination benefits (refer note 50)	32.03	24.70
Compensated absences (Refer note below)	38.72	29.66
Others	8.89	109.84
Total	**79.64**	**164.20**

Note:

The provision for compensated absences includes annual leave and vested long service leave entitlement accrued.

33 Current tax liabilities

	As at 31 March 2024	As at 31 March 2023
Income tax payable (net of advance tax : ₹ 10.41) (31 March 2023 : ₹ 292.21)	33.43	63.41
Total	**33.43**	**63.41**

34 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory remittances	112.75	89.21
Advance from customers	81.28	54.55
Advances against assets classified as held for sale (Refer note 3b)	100.60	-
Other current liabilities	44.65	96.81
Total	**339.28**	**240.57**

35 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	13,498.53	14,061.09
Sale of services	164.47	121.66
	13,663.00	**14,182.75**
Other operating revenues		
Sale of scrap	16.41	9.82
Duty drawback and other export incentives	15.01	16.52
Other operating income	2.89	-
Total	**13,697.31**	**14,209.09**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

35 Revenue from operations (Contd.)

Disaggregated revenue disclosures

The Group disaggregate the revenue based on geographic locations and it is disclosed under note 45 - Segment reporting.

Trade receivables and contract balances

The Group classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue for revenue contracts are recognized at a point in time when the Group transfers control over the product to the customer.

The performance obligation is satisfied when related services are performed.

Reconciliation of revenue from sale of products and services with the contracted price:

	Year ended 31 March 2024	Year ended 31 March 2023
Contracted price	14,076.34	14,515.93
Less: trade discounts, sales and expiry return	413.34	333.18
Sale of products and services	**13,663.00**	**14,182.75**

36 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income (refer note (i) below)	6.70	12.09
Net gain on sale of current investments	0.17	0.51
Dividend income	-	0.01
Fair value gain on financial instrument at fair value through profit or loss	0.23	-
Profit on sale of property, plant and equipment and transfer of leasehold rights (Refer note 3b(i))	55.87	20.42
Miscellaneous income	46.60	30.87
Total	**109.57**	**63.90**

(i) Interest income comprises:

	Year ended 31 March 2024	Year ended 31 March 2023
Interest on:		
Bank deposits	4.77	7.25
Income tax refund	0.26	-
Other interest	1.67	4.84
Total	**6.70**	**12.09**

37.a Cost of materials consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock	1,412.28	1,290.46
Effect of the hyperinflation (refer note 53)	-	125.55
Effect of foreign currency exchange differences	(184.54)	(52.94)
Add: Purchases	6,075.97	6,980.19
Less: Closing stock	1,167.05	1,412.28
Cost of materials consumed	**6,136.66**	**6,930.98**

All amounts are in ₹ million unless otherwise stated

37.b Purchases of stock-in-trade

	Year ended 31 March 2024	Year ended 31 March 2023
Purchases of stock-in-trade	1,755.38	1,217.70
Total	**1,755.38**	**1,217.70**

37.c Changes in inventories of finished goods, stock-in-trade and work-in-progress

	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock		
Work-in-progress and intermediates	489.14	567.84
Finished goods (including stock-in-trade)	1,553.98	1,616.30
Effect of Hyperinflation (refer note 53)	-	13.47
	2,043.12	**2,197.61**
Effect of foreign currency exchange differences		
Work-in-progress and intermediates	(3.87)	(0.14)
Finished goods (including stock-in-trade)	(44.10)	34.64
	(47.97)	**34.50**
Closing stock		
Work-in-progress and intermediates	533.63	489.14
Finished goods (including stock-in-trade)	1,756.09	1,553.98
	2,289.72	**2,043.12**
Net (increase) / decrease	**(294.57)**	**188.99**

38 Employee benefit expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and allowances	1,891.66	1,828.73
Contributions to provident fund, gratuity and other funds (refer note 50)	275.94	276.53
Share-based payment to employees (refer note 51)	222.28	354.11
Staff welfare expenses	115.83	124.48
Total	**2,505.71**	**2,583.85**

39 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	441.16	272.70
Other borrowing costs	16.63	57.98
Interest expense on leases liabilities (refer note 55)	23.07	24.49
Total	**480.86**	**355.17**

40 Depreciation and amortisation expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 3a)	447.42	381.80
Depreciation on ROU assets (refer note 3b)	62.41	70.16
Amortisation on intangible assets (refer note 5)	105.57	104.97
Total	**615.40**	**556.93**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

41 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Power, water and fuel	354.57	424.54
Consumables	179.11	222.91
Conversion and processing charges	166.54	298.69
Contract labour charges	57.08	18.14
Freight and forwarding	281.17	298.65
Rent	42.46	34.04
Rates and taxes	48.08	29.31
Communication expenses	21.93	21.65
Repairs and maintenance		
Building	37.65	36.20
Machinery	130.91	121.03
Others	86.53	86.21
Insurance	82.79	79.18
Travelling and conveyance	136.86	154.36
Advertisement and selling expenses	194.11	189.22
Commission on sales	91.77	92.11
Legal and professional fees	434.52	425.45
Payment to auditors (refer note (i) below)	14.37	13.98
Analytical charges	77.93	86.33
Bad loans and advances written off	-	0.12
Bad trade receivables written off	0.62	1.83
Allowances for doubtful trade receivables	13.77	7.56
Loss on sale of assets (net)	0.45	-
Property, plant and equipment written off	1.64	1.61
Net loss on foreign currency transactions and translation	153.72	114.46
Miscellaneous expenses	293.23	242.59
Total	**2,901.81**	**3,000.17**

Note

(i) Payment to auditors comprises (net of Goods and Service Tax):

	Year ended 31 March 2024	Year ended 31 March 2023
As auditors - Statutory audit (including fees for undertaking limited reviews)	13.10	13.70
Fee of certification and other services	0.34	0.07
Reimbursement of expenses	0.93	0.21
Total	**14.37**	**13.98**

42 Net Monetary Loss on Hyperinflationary economy

	Year ended 31 March 2024	Year ended 31 March 2023
Net Monetary Loss on Hyperinflationary economy (refer note 53)	78.18	157.95
Total	**78.18**	**157.95**

All amounts are in ₹ million unless otherwise stated

43 Exceptional Items

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Loss by fire in wholly-owened-subsidiary Alivira Animal Health Limited, India / (Insurance claim received)	A	(80.67)	31.98
Expenses related to closure of Tarapur manufacturing facility and operations restructuring drive	B	295.10	-
Theft of inventories at Bremer Pharma GmbH, overseas subsidiary and insurance claim received	C	-	-
Loss due to cyber-attack incident at N-VET AB (overseas subsidiary)	D	26.44	-
Restructuring costs / (true up) with respect to Bremer Pharma GmbH, Alivira France	E	(66.96)	411.86
Impairment of Goodwill for Turkey CGU	F	-	204.09
Total		**173.91**	**647.93**

Note

A) During the current year, the Group has received an insurance claim of ₹ 80.67 million for loss due to an incident of fire at Company's wholly owned subsidiary Alivira Animal Health Limited's (Alivira) API facility in Visakhapatnam, on 07 May 2022. The Group had recognized an estimated loss of book value of assets (Property, Plant and Equipment and Inventory) amounting to ₹ 31.98 million as exceptional items in the consolidated financial statements during the year ended 31 March 2023.

B) The Group decided to restructure the operations by closing its API manufacturing facility at MIDC, Tarapur, Maharashtra and relocated its sourcing from new facilities. Further, as part of operations restructuring drive, the Group has revamped the manufacturing and procurement processes at its API manufacturing facilities in India with the objective of network optimization and cost reduction. In this regard, the Group has incurred the following non-recurring expenses;

(i) Domain expert advisory fees towards revamping of manufacturing and procurement processes amounting to ₹ 266.78 million for the year ended 31 March, 2024.

(ii) Provision for diminution in value of immovable assets at Tarapur manufacturing facility aggregating to ₹ 19.74 million.

(iii) Settlement payment to the employees at Tarapur manufacturing facility aggregating to ₹ 8.58 million.

C) There was theft of inventory amounting to ₹ 3.59 million at its overseas subsidiary Bremer Pharma GmbH in Germany against which insurance claim is received.

D) The Group has incurred a loss of ₹ 26.44 million due to a cyber-attack incident at its overseas subsidiary N-VET AB in Sweden. The Group has filed an insurance claim against the said loss.

E) In the previous year, the management decided to restructure the operations of its overseas subsidiary, Bremer Pharma GmbH in Germany by discontinuing the manufacturing facility and initiated liquidation procedures for its subsidiary Alivira France S.A.S. Consequently, restructuring costs of ₹ 411.86 million (mainly related to asset write down, estimated costs towards notice / severance payments to employees, etc.) were recognized in the consolidated financial statements.

Further during the year ended 31 March 2024, the Group has tuned up excess provision amounting to ₹ 12.92 million and ₹ 54.04 million pursuant to the sale of movable assets and realisation of current assets respectively.

F) In the previous year, based on an independent valuer's report, the Group provided for an impairment of goodwill amounting to ₹ 204.09 million for Turkey CGU.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

44 Reconciliations of tax expenses and details of deferred tax balances

A) Income tax expense recognised in the consolidated statement of profit and loss

	Year ended 31 March 2024	Year ended 31 March 2023
i) Income tax expense recognised in the consolidated statement of profit and loss		
Current tax (I)	144.83	78.39
Deferred tax charge		
Origination and reversal of temporary differences (II)	(389.82)	(231.96)
Provision for tax of earlier years written back (III)	(5.34)	(3.24)
Total (IV = I+II+III)	**(250.33)**	**(156.81)**
ii) Tax on other comprehensive income		
Current tax	0.57	8.80
Deferred tax charge / (income)	-	(28.80)
Total (V)	**0.57**	**(20.00)**
Total (IV+V)	**(249.76)**	**(176.81)**

The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

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

B) Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Group is as follows:

	As at 31 March 2024	As at 31 March 2023
Profit / (Loss) before tax	**(546.46)**	**(1,376.58)**
Statutory income tax rate	29.12%	29.12%
Tax as per applicable tax rate	**(159.13)**	**(400.86)**
Differences due to:		
- Exempted income	(1.20)	(7.22)
- Disallowed expenses	10.34	0.08
- Deferred tax liability written back	(47.40)	-
- Effect of deferred tax on brought forward business losses	-	6.25
- Different tax rate in subsidiary companies	(15.64)	(19.20)
- Provision for tax of earlier years written back	(5.34)	(3.24)
- Deferred Tax not recognised on exceptional items	50.64	188.68
- Tax credit not recognised due to lack of reasonable certainity	5.31	77.31
- Effect of gain on sale of Leasehold land	(12.84)	-
- Tax incentives in foreign subsidiaries	(51.31)	-
- Others	(23.76)	1.39
Income tax expenses charged to the consolidated statement of profit and loss	**(250.33)**	**(156.81)**
Effective tax rate	45.81%	11.39%

All amounts are in ₹ million unless otherwise stated

44 Reconciliations of tax expenses and details of deferred tax balances (Contd.)

C) Movement in deferred tax assets and liabilities

	As at 01 April 2023	Credit / (charge) in the statement of profit and loss	Credit / (charge) in other comprehensive income	As at 31 March 2024
- Temporary differences on account of depreciation	4.63	(7.45)	-	(2.82)
- Expenses allowable on payment basis	56.89	7.84	0.73	65.46
- Right-of-use assets	15.45	0.29	-	15.74
- Temporary differences on account of hyperinflation	(23.15)	47.40	-	24.25
- Other	(13.11)	51.16	-	38.05
Subtotal	**40.71**	**99.24**	**0.73**	**140.68**
- Unabsorbed depreciation and carried forward of losses	104.84	291.53	-	396.37
- MAT credit entitlement	185.54	(7.78)	-	177.76
Total deferred tax assets / (liabilities)	**331.09**	**383.00**	**0.73**	**714.82**

	As at 01 April 2022	Credit / (charge) in the statement of profit and loss	Credit / (charge) in other comprehensive income	As at 31 March 2023
- Temporary differences on account of depreciation	(143.35)	147.98	-	4.63
- Expenses allowable on payment basis	40.05	15.79	1.05	56.89
- Right-of-use assets	14.46	1.02	(0.02)	15.45
- Temporary differences of quoted equity instrument valued at fair value	(21.02)	-	21.02	-
- Temporary differences on account of hyperinflation	-	(23.15)	-	(23.15)
- Other	6.30	23.66	(43.07)	(13.11)
Subtotal	**(103.56)**	**165.30**	**(21.02)**	**40.71**
- Unabsorbed depreciation and carried forward of losses	46.88	57.96	-	104.84
- MAT credit entitlement	190.96	2.36	(7.78)	185.54
Total deferred tax assets / (liabilities)	**134.28**	**225.62**	**(28.80)**	**331.09**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

45 Segment Reporting

A. Primary segment (Business segment)

Segment Reporting

Operating segment are reported in a manner consistent with the Internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee of the Group.

The Group is mainly engaged in the business of veterinary healthcare which as per Ind AS 108 - "Operating segments" is considered the only business segment and all other activities of the Group are incidental to this business segment.

B. Secondary segment (Geographical segment)

The Group operates in three principal geographic location.

(i) Europe

(ii) Asia

(iii) Rest of the world

		Year ended 31 March 2024	Year ended 31 March 2023
I	**Revenue from operations**		
	Europe	5,715.96	5,755.11
	Asia	3,301.17	4,763.65
	Rest of the world	4,680.18	3,690.33
	Total	**13,697.31**	**14,209.09**
II	**Total assets**		
	Europe	3,578.43	4,159.67
	Asia	7,387.59	6,680.78
	Rest of the world	3,510.65	3,837.70
	Total segment assets	**14,476.67**	**14,678.15**
	Unallocated (^)	927.17	613.08
	Total	**15,403.84**	**15,291.23**
III	**Cost incurred during the year to acquire segment assets**		
	Europe	94.94	0.07
	Asia	265.54	709.50
	Rest of the world	20.87	63.14
	Total	**381.35**	**772.71**

Information about major customer

For information about major customer, refer note 52.3

Note: In presenting geographical segment information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(^) Unallocable assets comprises of loans, deferred tax assets (net) and income tax assets (net).

All amounts are in ₹ million unless otherwise stated

46 Earnings Per Share (EPS)

	Year ended 31 March 2024	Year ended 31 March 2023
Basic earnings per share (in ₹)	(1.44)	(4.88)
Diluted earnings per share (in ₹)	(1.44)	(4.88)

(Loss) / Profit attributable to equity shareholders	Year ended 31 March 2024	Year ended 31 March 2023
(Loss) / Profit for the year attributable to equity holders	(358.69)	(1,211.59)
(Loss) / Profit attributable to equity shareholders for basic and diluted earnings	**(358.69)**	**(1,211.59)**

Weighted average number of equity shares	Year ended 31 March 2024	Year ended 31 March 2023
Equity shares at beginning of the year	249,433,495	248,370,995
Weighted average no. of shares issued during the year	-	1,062,500
Weighted average effect of treasury shares	(808,971)	(962,250)
Weighted average number of equity shares at end of the year for basic EPS	**248,624,524**	**248,471,245**
Share options*	1,258,285	1,643,156
Weighted average number of equity shares at end of the year for diluted EPS	**249,882,809**	**250,114,401**

*As the share options have an anti-dilutive effect on diluted EPS, basic EPS has been considered as the diluted EPS.

47 Contingent liabilities and commitments (to the extent not provided for)

	Year ended 31 March 2024	Year ended 31 March 2023
Contingent liabilities		
a. Claims against the Group not acknowledged as debts #*	3.67	9.63
b. Indirect tax matters	39.59	-
Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
- Tangible and Intangible assets	166.79	79.86
b. Corporate Guarantee given to lenders for loan facility availed by wholly owned subsidiary	4,161.33	537.65
c. Corporate Guarantee given to lenders for loan facility availed by step down subsidiary	1,130.76	836.00
d. Corporate Guarantee given to lenders for loan facility availed by holding company	380.00	380.00

e. The Alivira Animal Health Limited, India, the wholly-owned-subsidiary company, has given a letter of support to its step down wholly-owned-subsidiary Alivira Animal Health Limited, Ireland to continue to assist in whatever manner that it can to financially support the operations and cash flow requirements of the subsidiary for the foreseeable future.

During the current year, one of the wholly-owned subsidiaries of the Group has received a show-cause notice for termination of the lease deed in respect of the leasehold land at its manufacturing facility in Vizag for alleged breach of the terms of the lease agreement. The Group has responded to the show-cause notice and obtained stay order for the termination of the lease deed from the Commercial Court at Vizag including direction to the lessor abstaining any coercive action against the Group. The Group has also invoked Arbitration under the Arbitration and Conciliation Act, 1996 Act and the matter is currently sub-judice. As at March 31, 2024, there is no financial claim lodged by the lessor. Based on the legal advise obtained, the Group does not expect the outcome of the proceedings to have a material adverse impact on its operations and the financial statements.

* Outflow, if any, arising out of the said claim including interest, if any, would depend on the outcome of the decision of the appellate authority and the Group's right for future appeal before the judiciary.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

48 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

	Name of the entity in the Group	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As at 31 March 2024	As at 31 March 2023	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent												
1	SeQuent Scientific Limited				152.49%	10,871.99	(2.06%)	6.10	(0.03%)	0.17	(0.66%)	6.27
	Indian Subsidiaries											
2	Alivira Animal Health Limited	India	100.00%	100.00%	66.83%	4,764.96	168.59%	(499.26)	0.35%	(2.29)	52.93%	(501.55)
3	SeQuent Research Limited	India	100.00%	100.00%	0.88%	62.92	4.59%	(13.59)	0.02%	(0.11)	1.45%	(13.70)
	Foreign Subsidiaries											
4	Alivira Animal Health Limited, Ireland	Ireland	100.00%	100.00%	49.12%	3,501.93	303.32%	(898.23)	5.36%	(34.91)	98.47%	(933.14)
5	Provet Veteriner Ürünleri San. Ve Tic. A. Ş.	Turkey	100.00%	100.00%	2.59%	184.92	81.51%	(241.37)	8.52%	(55.52)	31.33%	(296.89)
6	Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.	Turkey	100.00%	100.00%	1.53%	109.12	70.32%	(208.24)	10.22%	(66.56)	29.00%	(274.80)
7	Vila Viña Participacions S.L. (Refer note 2)	Spain	60.00%	60.00%	6.80%	484.90	0.68%	(2.00)	(0.06%)	0.41	0.17%	(1.59)
8	Laboratorios Karizoo, S.A.	Spain	60.00%	60.00%	12.97%	924.37	(33.42%)	98.96	(0.56%)	3.64	(10.83%)	102.60
9	Laboratorios Karizoo, S.A. DE C.V. (Mexico)	Mexico	60.00%	60.00%	1.49%	106.38	(7.07%)	20.93	(0.29%)	1.90	(2.41%)	22.83
10	Phytotherapic Solutions S.L.	Spain	60.00%	60.00%	3.85%	274.46	(18.67%)	55.29	(0.21%)	1.37	(5.98%)	56.66
11	Bremer Pharma GmbH	Germany	100.00%	100.00%	(13.82%)	(985.55)	6.16%	(18.24)	1.18%	(7.66)	2.73%	(25.90)
12	Fendigo SA	Belgium	100.00%	100.00%	4.23%	301.75	(37.10%)	109.87	(0.35%)	2.30	(11.84%)	112.17
13	Fendigo BV	Netherland	100.00%	100.00%	0.34%	24.59	(13.28%)	39.33	(0.05%)	0.32	(4.18%)	39.65
14	N-Vet AB	Sweden	96.10%	96.10%	0.68%	48.30	5.41%	(16.01)	-	(0.03)	1.69%	(16.04)
15	Alivira Saude Animal Brasil Participacoes Ltda	Brazil	100.00%	100.00%	(1.79%)	(127.37)	(18.92%)	56.04	0.96%	(6.24)	(5.26%)	49.80
16	Evanvet Distribuidora De Produtos Veterinarios Ltda (formerly known as Evance Saude Animal Ltda)	Brazil	100.00%	100.00%	2.79%	199.14	(57.67%)	170.79	(0.47%)	3.03	(18.34%)	173.82
17	Alivira Saude Animal Ltda, Brazil (formerly known as Interchange Veterinária Indústria E Comércio Ltda) (Refer note 1)	Brazil	100.00%	100.00%	(2.57%)	(182.99)	(19.44%)	57.58	(0.93%)	6.03	(6.71%)	63.61
18	Alivira Animal Health USA LLC	USA	100.00%	100.00%	(0.03%)	(2.26)	14.98%	(44.36)	0.31%	(2.01)	4.89%	(46.37)
19	Alivira Italia S.R.L.	Italy	95.00%	95.00%	(0.24%)	(16.87)	0.06%	(0.19)	0.03%	(0.17)	0.04%	(0.36)

All amounts are in ₹ million unless otherwise stated

48 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. (Contd.)

	Name of the entity in the Group	Place of incorpo-ration and operation	Proportion of ownership interest and voting power held by the Company		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As at 31 March 2024	As at 31 March 2023	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
20	Alivira France S.A.S. (Refer note 3)	France	75.00%	75.00%	(0.24%)	(16.90)	-	-	(0.02%)	0.10	(0.01%)	0.10
21	Alivira Animal Health UK Ltd	United Kingdom	100.00%	100.00%	(0.03%)	(1.79)	0.61%	(1.81)	0.01%	(0.08)	0.20%	(1.89)
	Total					**20,526.00**		**(1,328.41)**		**(156.31)**		**(1,484.72)**
	Adjustments arising out of consolidation				(195.81%)	(13,960.40)		969.72	76.43%	(497.95)	(49.78%)	471.77
	Non-controlling interest in all subsidiaries				**7.91%**	**563.99**	**(21.13%)**	**62.56**	**(0.42%)**	**2.73**	**(6.89%)**	**65.29**
	Total					**7,129.59**		**(296.13)**		**(651.53)**		**(947.66)**

Notes:

1 During the previous year (effective 01 July 2022), Nourrie Saúde e Nutrição Animal Ltda (Nourrie) has been amalgamated with Alivira Saude Animal Ltda, Brazil (wholly- owned subsidiary of the Company).

2 During the current year, the subsidiary company Comercial Vila Veterinaria De Lleida S.L. (Spain) has been merged with its holding company Vila Viña Participacions S.L. (Spain) with effect from 16 June 2023.

3 During the currenr year, the subsidiary company Alivira France S.A.S.has been struck off with effect from 24 March, 2024.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

48 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 (contd..)

	Name of the entity in the Group	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As at 31 March 2023	As at 31 March 2022	As % of consolidated net assets"	Amount	As % of consolidated profit / (loss)	Amount	As % of other comprehensive income	Amount	As % of Total comprehensive income	Amount
	Parent											
1	SeQuent Scientific Limited				141.27%	10,583.59	4.98%	(60.80)	46.09%	(120.53)	12.24%	(181.33)
	Indian Subsidiaries											
2	Alivira Animal Health Limited	India	100.00%	100.00%	69.29%	5,190.95	11.83%	(144.30)	(0.47%)	1.24	9.66%	(143.06)
3	SeQuent Research Limited	India	100.00%	100.00%	1.00%	74.63	1.18%	(14.42)	0.02%	(0.06)	0.98%	(14.48)
	Foreign Subsidiaries											
4	Alivira Animal Health Limited, Ireland	Ireland	100.00%	100.00%	57.27%	4,290.40	130.38%	(1,590.29)	-	-	107.36%	(1,590.29)
5	Provet Veteriner Ürünleri San. Ve Tic. A. Ş.	Turkey	100.00%	100.00%	3.92%	293.40	7.07%	(86.23)	6.81%	(17.82)	7.02%	(104.05)
6	Topkim Topkapi Ilaç premiks Sanayi Ve Ticaret A.Ş.	Turkey	100.00%	100.00%	3.06%	229.56	26.68%	(325.42)	2.63%	(6.89)	22.43%	(332.31)
7	Vila Viña Participacions S.L.	Spain	60.00%	60.00%	4.97%	372.66	(0.53%)	6.49	-	-	(0.44%)	6.49
8	Laboratorios Karizoo, S.A.	Spain	60.00%	60.00%	10.57%	791.71	3.66%	(44.64)	-	-	3.01%	(44.64)
9	Laboratorios Karizoo, S.A. DE C.V. (Mexico)	Mexico	60.00%	60.00%	1.10%	82.09	(0.26%)	3.13	-	-	(0.21%)	3.13
10	Comercial Vila Veterinaria De Lleida S.L.	Spain	60.00%	60.00%	1.25%	94.00	(0.02%)	0.28	-	-	(0.02%)	0.28
11	Phytotherapic Solutions S.L.	Spain	60.00%	60.00%	2.90%	217.44	(3.41%)	41.60	-	-	(2.81%)	41.60
12	Bremer Pharma GmbH	Germany	100.00%	100.00%	(12.89%)	(965.50)	54.26%	(661.87)	-	-	44.68%	(661.87)
13	Fendigo SA	Belgium	100.00%	100.00%	4.21%	315.53	(9.13%)	111.37	-	-	(7.52%)	111.37
14	Fendigo BV	Netherland	100.00%	100.00%	0.51%	38.05	(2.32%)	28.25	-	-	(1.91%)	28.25
15	N-Vet AB	Sweden	96.10%	96.10%	1.13%	84.94	(1.25%)	15.27	-	-	(1.03%)	15.27
16	Alivira Saude Animal Brasil Participacoes Ltda	Brazil	100.00%	100.00%	(2.48%)	(185.50)	4.22%	(51.50)	-	-	3.48%	(51.50)
17	"Evanvet Distribuidora De Produtos Veterinarios Ltda (formerly known as Evance Saude Animal Ltda) "	Brazil	100.00%	100.00%	2.58%	193.01	(9.92%)	120.99	-	-	(8.17%)	120.99
18	Evance Saude Animal Ltda (formerly known as Interchange Veterinária Indústria E Comércio Ltda	Brazil	100.00%	100.00%	(3.21%)	(240.18)	(12.75%)	155.54	-	-	(10.50%)	155.54

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

48 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. (Contd.)

	Name of the entity in the Group	Place of incorpo-ration and operation	Proportion of ownership interest and voting power held by the Company		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As at 31 March 2023	As at 31 March 2022	As % of consolidated net assets"	Amount	As % of consolidated profit / (loss)	Amount	As % of other comprehensive income	Amount	As % of Total comprehensive income	Amount
19	Nourrie Saúde e Nutrição Animal Ltda	Brazil	0.00%	100.00%		-		-	-	-		
20	Alivira Animal Health USA LLC	USA	100.00%	100.00%	0.03%	1.98	3.09%	(37.74)	-	-	2.55%	(37.74)
21	Alivira Italia S.R.L.	Italy	95.00%	95.00%	(0.22%)	(16.57)	0.41%	(5.06)	-	-	0.34%	(5.06)
22	Alivira France S.A.S.	France	75.00%	75.00%	(0.22%)	(16.79)	1.32%	(16.05)	-	-	1.08%	(16.05)
23	Alivira Animal Health UK Ltd	United Kingdom	100.00%	100.00%		0.04		-	-	-		-
	Total					**21,429.44**		**(2,555.40)**		**(144.05)**		**(2,699.45)**
	Adjustments arising out of consolidation				(192.76%)	(14,441.66)		(1,327.44)	51.98%	(135.92)	98.79%	(1,463.36)
	Non-controlling interest in all subsidiaries				6.73%	504.12	0.67%	(8.18)	(7.07%)	18.48	(0.70%)	10.30
	Total					**7,491.90**		**(1,219.77)**		**(261.49)**		**(1,481.26)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

49 Related party transactions

Holding Company

CA Harbor Investments

49.1 List of related parties with whom transactions have taken place during the year

a) Key management personnel (KMP)

Mr. Manish Gupta, Chief Executive Officer & Managing Director (till 10 April 2022)
Mr. Rajaram Narayanan, Chief Executive Officer & Managing Director (w.e.f. 11 April 2022)
Mr. Sharat Narasapur, Joint Managing Director (till 30 April 2024)
Mr. Tushar Mistry, Chief Financial Officer (till 31 May 2022)
Mr. Rahul Mukim, Non-Executive Director (till 06 December 2022)
Mr. P V Raghavendra Rao, Chief Financial Officer (w.e.f. 25 July 2022 till 25 October 2023)
Mr. Saurav Bhala, Chief Financial Officer (w.e.f. 06 November 2023)
Mr. Vedprakash Ragate, Executive Director (w.e.f. 15 May 2023)
Mr. Krunal Shah, Company Secretary (till 15 February 2024)
Mr. Philip Trott, Company Secretary (w.e.f. 16 February 2024)
Dr. Kamal K Sharma,Independent Director
Mr. Milind Sarwate, Independent Director
Mr. Hari Babu Bodepudi, Non-Executive Director (w.e.f. 07 August, 2023)
Mr. Neeraj Bharadwaj, Non-Executive Director
Mr. Gregory Andrews John, Non-Executive Director
Dr. Fabian Kausche, Non-Executive Director
Dr. Kausalya Santhanam, Independent Director

Notes:

All the transactions entered with related parties are in the ordinary course of business and on arm's length basis.

49.2 Transactions for the year

i) Transactions with KMP and their relatives

	Year ended 31 March 2024	Year ended 31 March 2023
Managerial remuneration (*)		
Mr. Manish Gupta		
Short-term benefits	-	1.05
Termination benefits	-	11.50
Total	**-**	**12.55**
Mr. Rajaram Narayanan #		
Short-term benefits	43.61	39.17
Total	**43.61**	**39.17**
Mr. Sharat Narsapur #		
Short-term benefits	13.86	14.76
Total	**13.86**	**14.76**
Mr. Tushar Mistry		
Short-term benefits	-	1.43
Termination benefits	-	2.58
Total	**-**	**4.01**
Mr. P.V. Raghavendra Rao #		
Short-term benefits	7.80	8.23
Termination benefits	0.54	-
Total	**8.34**	**8.23**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

49 Related party transactions (Contd.)

	Year ended 31 March 2024	Year ended 31 March 2023
Mr. Saurav Bhala ##		
Short-term benefits	6.52	-
Total	**6.52**	**-**
Mr. Krunal Shah #		
Short-term benefits	1.87	1.80
Total	**1.87**	**1.80**
Mr. Philip Trott		
Short-term benefits	0.84	-
Total	**0.84**	**-**
Directors sitting fees		
Dr. Kamal K Sharma	2.00	2.30
Mr. Milind Sarwate	2.10	1.80
Mr. Gregory Andrews John	0.60	0.50
Dr. Fabian Kausche	0.50	0.50
Dr. Kausalya Santhanam	0.90	1.00
Mr. Hari Babu Bodepudi	0.40	-
	6.50	**6.10**

(#) The managerial remuneration is recommended in the Nomination and Remuneration Committee meeting on 12 May 2023 and approved by the board of directors on 23 May 2023.

(##) The managerial remuneration is recommended in the Nomination and Remuneration Committee meeting on 31 October 2023 and approved by the board of directors on 31 January 2024.

49.3 Balance as at balance sheet date

There is no balance as on balance sheet.

(*)Expenses towards gratuity and compensated absences provisions are determined actuarially on an overall Group basis at the end of each year and accordingly have not been considered in the above information.

50 Employee benefit plans

(i) Defined contribution plans:

The Group makes Provident Fund (PF) and Employee State Insurance scheme (ESIC) contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 48.15 (31 March 2023 : ₹ 44.80) for PF contributions and ₹ 3.28 (31 March 2023 : ₹ 3.53) for ESIC contributions in the consolidated statement of profit and loss. As at 31 March 2024, contribution of ₹ 7.76 (31 March 2023 : ₹ 7.50) is outstanding which is paid subsequent to the end of respective reporting periods.

In respect of the foreign subsidiaries, the subsidiaries makes Social Security scheme contributions which are defined contribution plans, for all employees. Under the scheme, the subsidiaries are required to contribute a specified percentage payroll costs to fund the benefits. The Group recognised ₹ 201.89 (31 March 2023 : ₹ 122.84) for social security scheme contributions.

(ii) Defined benefit plans:

The Group has a defined Gratuity benefit plans for employees in India. The foreign subsidiaries have termination benefits for its employees in Turkey. Gratuity and termination benefits are payable to all eligible employees of the Company on superannuation, death and resignation. The following table summarises the components of net employee benefit expenses recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

50 Employee benefit plans (Contd.)

	31 March 2024		31 March 2023	
	Gratuity	Termination benefits	Gratuity	Termination benefits
Expense/ (income) recognised in the statement of profit and loss:				
Current service cost	10.70	6.25	10.87	5.22
Net interest cost	3.87	1.80	3.57	2.99
Component of defined benefit costs recognised in the statement of profit and loss	**14.57**	**8.05**	**14.44**	**8.21**
Expense / (income) recognised in other comprehensive income:				
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-	(1.11)	(1.82)
Actuarial (gains) / losses arising from changes in financial assumptions	0.52	(10.66)	(1.02)	10.55
Actuarial (gains) / losses arising from changes in experience adjustments	1.75	21.68	(0.99)	15.98
Component of defined benefit costs recognised in the other comprehensive income	**2.27**	**11.02**	**(3.12)**	**24.71**
Total	**16.84**	**19.07**	**11.32**	**32.92**

Net defined benefit obligation as reflected in balance sheet:

	31 March 2024		31 March 2023	
	Gratuity	Termination benefits	Gratuity	Termination benefits
Present value of defined benefit obligation (DBO)	63.12	34.37	56.23	43.15
Net liability recognised in balance sheet	**63.12**	**34.37**	**56.23**	**43.15**

A. Movements in the present value of the defined benefit obligation are as follows:

	31 March 2024		31 March 2023	
	Gratuity	Termination benefits	Gratuity	Termination benefits
Opening balance	56.23	43.15	58.74	18.23
Current service cost	10.70	6.25	10.87	5.22
Interest cost	3.87	1.80	3.57	2.99
Liability transferred in / acquisitions	-	-	-	(4.27)
Benefits paid	(9.94)	(14.50)	(13.84)	(0.46)
Actuarial loss/ (gain) arising from:				
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-	(1.11)	(1.82)
Actuarial (gains) / losses arising from changes in financial assumptions	0.52	(10.66)	(1.02)	10.55
Actuarial (gains) / losses arising from changes in experience adjustments	1.74	21.69	(0.99)	15.97
Exchange gain or loss	-	(13.36)	-	(3.27)
Closing defined benefit obligation	**63.12**	**34.37**	**56.23**	**43.15**

All amounts are in ₹ million unless otherwise stated

50 Employee benefit plans (Contd.)

Actuarial assumptions

The principal assumptions used for the purpose of actuarial valuations are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date.

	31 March 2024		31 March 2023	
	Gratuity	Termination benefits	Gratuity	Termination benefits
Financial assumption:				
Discount rate	7.19%	29.26%	7.36%	10.90%
Salary escalation rate	7.00%	50.00%~ 30.00%	7.00%	44.00%~ 34.00%
Demographic assumption:				
Withdrawal rate	12.00% ~ 15.00%	20.00%	12.00% ~ 15.00%	20%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58	58 - 60	58	58 - 60

The rate used to discount post-employment benefit obligation shall be determined by reference to market yields at the end of each reporting period on government bonds.

	31 March 2024		31 March 2023	
	Gratuity	Termination benefits	Gratuity	Termination benefits
Expected future cash flows				
Within 1 year	10.16	12.10	7.28	11.92
2-5 years	33.62	22.99	31.59	20.71
6-10 years	28.60	10.87	25.35	10.69

Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

	Impact on the defined benefit obligation			
	Gratuity		Termination benefits	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
31 March 2024				
Discounting rate	(2.97)	3.21	8.19	(7.88)
Salary escalation rate	3.19	(3.00)	(0.15)	0.15
31 March 2023				
Discounting rate	(2.71)	2.95	22.45	(21.08)
Salary escalation rate	2.93	(2.74)	(4.37)	3.81

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

51 Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Company implemented "SeQuent Scientific Employees Stock Option Plan 2010" (SeQuent ESOP 2010), as approved by the Shareholders of the Company on 24 May 2010 and it was further modified by the member on 24 September 2015. Further the company has implemented "SeQuent Scientific Employees Stock Option Plan 2020" (SeQuent ESOP 2020) as approved by shareholders on 17 January 2021 which was subsequently amended in the Annual General Meeting held on 30 August, 2023 as approved by the shareholders.

Employees Stock Option Plan:

Grant Date	No. of Options	Vesting conditions	Contractual life of the options vesting period
30 May 2013 (*)	27,00,000	The options granted would normally vest over a maximum period of 4 years from the date of the grant in proportions specified in 'SeQuent ESOP 2010' scheme.	5 years
12 February 2014 (*)	5,00,000		
28 May 2014 (*)	9,00,000		
12 November 2014 (*)	10,00,000		
11 January 2016 (*)	5,00,000		
14 May 2016	3,45,000		
23 May 2017	50,000		
02 November 2018	26,60,000		
03 July 2019	11,35,000		
21 September 2020 (#)	1,11,600	Option granted would vest over a maximum period of 1 year from the date of the grant.	2 years
01 March 2021	73,50,000	The options granted would normally vest over a maximum period of 5 to 7 years from the date of the grant in proportions specified in 'SeQuent ESOP 2020' scheme.	6 Years
22 February 2022	10,00,000		
11 April 2022	71,00,000		
25 July 2022	5,00,000		
10 May 2023	34,50,000		
06 November 2023	5,00,000		

* Pursuant to sub-division of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each on 26 February 2016, the no. of options have been adjusted proportionately.

#The expense on Employee Stock Option plan debited to the consolidated statement of profit and loss during 2023-24 is ₹ 222.28 (31 March 2023: ₹ 354.11). The entire amount pertains to equity-settled employee share-based payment plans.

B. Measurement of fair values

Fair value of share options granted in the year

The weighted average fair value of the share options granted on 10 May 2023 ranges from ₹ 25.81 to ₹ 45.00 and granted on 06 November 2023 ranges from ₹ 47.44 to ₹ 59.24 (11 April 2022 ranges from ₹ 73.60 to ₹ 108.30 and granted on 25 July 2022 ranges from ₹ 42.29 to ₹ 66.8) Options were priced using a Black-Scholes model. The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements if any, were not taken into account in measuring fair value.

Inputs into the model	31 March 2024	31 March 2024	31 March 2023	31 March 2023
Grant date	06 November 2023	10 May 2023	25 July 2022	11 April 2022
Grant date share price	100.80	78.05	118.50	149.30
Exercise price	86.00	86.00	86.00	86.00
Expected volatility	43.12% to 43.61%	44.95% to 43.10%	45.24% to 48.18%	50.90% to 55.20%
Option life	1.5 to 5 years	1.5 - 7.5 years	1.5 to 5 years	4 to 10 years
Dividend yield	0.50	0.50	0.50	0.20
Risk-free interest rate	7.38% to 7.46%	7.09% to 7.23%	6.57% to 7.2%	4.74% to 6.5%

All amounts are in ₹ million unless otherwise stated

51 Share-based payment arrangements: (Contd.)

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option programmes were as follows.

	31 March 2024		31 March 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Employees stock option plan:				
Option outstanding at the beginning of the year	1,09,72,500	86.00	34,52,500	85.41
Granted during the year	39,50,000	86.00	76,00,000	86.00
Exercised during the year	-	-	-	-
Forfeited during the year	18,25,000	84.75	80,000	86.00
Options outstanding at the end of the year	**1,30,97,500**	**86.00**	**1,09,72,500**	**85.81**

D. Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 86.00 (as at 31 March 2023 : ₹ 85.81) and weighted average remaining contractual life of 6.37 years (31 March 2023: 6.5 years).

Actual assumption

52 Financial instruments

The carrying value / fair value of financial instruments by categories are as follows:

Financial assets	Carrying value and fair value	
	31 March 2024	31 March 2023
Measured at amortised cost		
Loans	1.41	3.35
Trade receivables	3,356.31	3,409.62
Cash and cash equivalents	648.10	415.74
Other bank balances	50.20	1.72
Other financial assets	139.82	167.41
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments (quoted)	1.12	0.46
Measured at fair value through profit or loss (FVTPL)		
Investments in mutual fund	33.89	-
Other investments	0.05	0.05
Foreign exchange forward contracts at FVTPL	2.08	6.43
Total	**4,232.98**	**4,004.78**
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity of long-term borrowings)	4,512.79	3,978.98
Trade payables	2,602.59	2,443.40
Lease liabilities	364.14	456.97
Other financial liabilities	49.09	103.94
Measured at fair value through profit or loss (FVTPL)		
Foreign exchange forward contracts at FVTPL	7.10	6.89
Total	**7,535.71**	**6,990.18**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

52.1 Fair value hierarchy

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).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31 March 2024 and 31 March 2023:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value thought profit or loss:					
Derivative financial assets (refer note 17):					
Foreign currency forward contracts	31 March 2024	2.08		2.08	
Foreign currency forward contracts	31 March 2023	6.43	-	6.43	-
Financial liabilities measured at fair value thought profit or loss:					
Derivative financial liabilities (refer note 31):					
Foreign currency forward contracts	31 March 2024	7.10	-	7.10	-
Foreign currency forward contracts	31 March 2023	6.89	-	6.89	-
Financial assets / financial liabilities designated at fair value through other comprehensive income (refer notes 6 and 12):					
Investment in equity instruments	31 March 2024	1.17	1.12	0.05	-
Investment in equity instruments	31 March 2023	0.51	0.46	0.05	-
Financial assets designated at fair value through profit or loss (refer notes 6 and 12):					
Investment in mutual funds	31 March 2024	33.89	-	33.89	
Investment in mutual funds	31 March 2023	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Notes:

(i) Refer note 2(xviii) under material accounting policy for recognition and measurement of financial assets.

(ii) The fair value of the investments in equity is based on the quoted price. The fair value of investments in mutual fund is based on market observable inputs. Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(iii) Price risk- The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

52.2 Financial risk management objective and policies

The Group's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and deposits that derive directly from its operations. The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Group's activities makes it susceptible to various risks. The Group has taken adequate measures to address such concerns by developing adequate systems and practices. The Group's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Group's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group has established Audit Committee and its constitution, quorum and scope is in line with the Companies Act, 2013, provisions of Listing Agreement as entered with the Stock Exchange / Regulations. The audit committee comprises of three non executive independent directors nominated by the Board of Directors The Audit Committee oversees how management ensures compliance of Internal Control Systems, compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Audit Committee also reviews the adequacy of Internal Audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of Chartered Accountants.

52.3 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group monitors the credit quality of the counterparties, taking into account their financial position, past experience and other factors

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

The Group's trade and other receivables are actively monitored to review creditworthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Given below is ageing of gross trade receivable spread by period of six months:

	31 March 2024	31 March 2023
Outstanding for more than 6 months	207.17	113.49
Others	3,182.62	3,326.20
Total	**3,389.79**	**3,439.69**

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased for export customers.

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of total revenue and outstanding trade receivables as at 31 March 2024 and 31 March 2023.

52.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's treasury department is responsible for managing the short-term and long-term liquidity requirements of the Group. Short-term liquidity situation is reviewed daily by treasury. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings	3,085.60	788.00	639.19	**4,512.79**
Trade payables	2,602.59	-	-	**2,602.59**
Lease liabilities	73.17	64.90	226.07	**364.14**
Other financial liabilities	56.19	-	-	**56.19**

52 Financial instruments (Contd.)

Particulars	As at 31 March 2023			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings	2,150.98	1,150.99	677.01	**3,978.98**
Trade payables	2,443.40	-	-	**2,443.40**
Lease liabilities	87.27	120.19	249.51	**456.97**
Other financial liabilities	110.83	-	-	**110.83**

52.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is exposed to interest rate risk arises mainly from debt. The Group is exposed to interest rate risk because the fair value of fixed rate borrowings and the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

The Group is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Group's functional currency; hence exposures to exchange rate fluctuations arise. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures.

Foreign currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

a) Foreign currency risk exposure from financial instruments are given below

Foreign currency	31 March 2024		31 March 2023	
	Receivables / (payables)	Receivables / (payables)	Receivables / (payables)	Receivables / (payables)
	INR	in foreign currency	INR	in foreign currency
EURO	313.20	3.47	257.04	2.88
USD	2,113.78	25.35	1,611.39	19.62
GBP	3.28	0.03	4.95	0.05
AUD	0.01	0.00	0.77	0.01
EURO	(979.75)	(10.86)	(1,522.48)	(17.02)
USD	(918.04)	(11.01)	(1,293.48)	(15.75)
NOK	(0.07)	(0.01)	-	-
JPY	(0.50)	(0.91)	(37.32)	(0.60)
Net exposure	**531.91**		**(979.13)**	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

b) Derivative financial instruments

Derivative transactions are undertaken to act as economic hedges for the Group's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments.

(i) Outstanding forward exchange contracts entered into by the Group as at 31 March 2024 and 31 March 2023:

Currency	**Amount in US $ million**		**Buy / Sell**	**Cross currency**
	As at 31 March 2024	**As at 31 March 2023**		
USD	1.60	0.25	Sell	INR
USD	5.97	-	Sell	Euro
USD	1.50	-	Buy	BRL
USD	2.74	-	Buy	Euro

c) Foreign currency sensitivity analysis

The Group is mainly exposed to currency fluctuation of USD and Euro.

The following table details the Group's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. A positive numbers below indicates an increase in profit or equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balance below would be negative.

	Impact on profit or loss	
	31 March 2024	**31 March 2023**
10% decrease in foreign currency		
Currency of U.S.A (USD)	(119.57)	(31.79)
Currency of Europe (Euro)	66.65	126.54
Others	(0.28)	3.16
10% increase in foreign currency		
Currency of U.S.A (USD)	119.57	31.79
Currency of Europe (Euro)	(66.65)	(126.54)
Others	0.28	(3.16)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

d) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s long-term debt obligations with floating interest rates.

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

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

	As at 31-Mar-2024	As at 31-Mar-2023
Fixed-rate instruments		
Financial assets		
- Margin money deposit	50.03	1.55
- Deposit accounts	4.88	0.76
Total	**54.91**	**2.31**
Financial liabilities		
- Borrowings from bank	1,178.07	2,062.14
- Borrowings from others	404.87	46.03
Total	**1,582.94**	**2,108.17**
Variable-rate instruments		
Financial liabilities		
- Borrowings from bank	2,683.59	1,848.95
- Borrowings from others	249.59	21.85
Total	**2,933.18**	**1,870.80**

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Interest rate sensitivity analysis for variable-rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Effect	(Increase) / decrease in Profit before tax	
	100 bps (increase)	100 bps decrease
31 March 2024		
Variable-rate instruments	(29.33)	29.33
Total	**(29.33)**	**29.33**
31 March 2023		
Variable-rate instruments	(18.71)	18.71
Total	**(18.71)**	**18.71**

52.6 Capital management

For the purpose of Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. As at 31 March 2024, there is breach of financial covenants attached to the borrowings availed by two of the Group's subsidiaries in India, on which the Holding Company has provided corporate guarantees to the lenders. The respective subsidiaries has obtained waivers to these covenants from the bankers / financial institutions and have also repaid these borrowings subsequent to the year end.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

The Group 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 Group consists of net debt (offset by cash and bank balances) and total equity of the Group.

The Group's gearing ratio at end of each reporting year is as follows:

Particulars	**As at 31-Mar-2024**	**As at 31-Mar-2023**
Borrowings (i)	4,512.79	3,978.98
Cash and bank balances (ii)	648.10	415.74
Other bank balances (iii) (margin money) (refer note ii Below)	49.91	1.43
Current investment (iv)	26.13	0.46
Net debt [(i) - { (ii)+(iii)+(iv) }]	**3,788.65**	**3,561.35**
Equity attributable to owners of the Company	**6,565.60**	**6,987.78**
Gearing ratio	**57.70%**	**50.97%**

(i) Borrowing is defined as long-term and short-term borrowings.

(ii) Other bank balance exclude the bank balance towards unpaid dividend.

(iii) Gearing ratio : Net debt / Equity.

53 Hyperinfilation Impact

The Turkey economy was designated as hyperinflationary from 1 July 2022. As a result, application of IAS 29 'Financial Reporting in Hyperinflationary Economies' has been applied to subsidiaries in Turkey viz. Provet Veteriner Ürünleri San. ve Tic. A.Ş.& TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş. whose functional currency is Turkish Lira. Considering that the presentation currency of consolidated financial statements is INR, the restatement of comparative figures in consolidated financial statements is not required.

The cumulative hyperinflation index of Turkish economy as on the year ended March 31, 2024 was 53.15 as against 31.54 as on March 31, 2023, considered as per Index table published by Turkish Statistical Institute (TURKSTAT).

The impact of hyperinflation pertaining to the period prior to 1st April 2022 has been adjusted in opening retained earnings as below:

Particulars	**Amount**
Goodwill	545.55
Other Adjustments	202.45
Total	**748.00**

The effect of aforesaid hyperinflationary accounting on the consolidated financial statements for the year ended 31st March 2024 and 31st March 2023 is as below:

Particulars		**31-Mar-24**	**31-Mar-23**
(a)	Total assets increased	104.18	221.15
(b)	Total income increased	414.81	295.28
(c)	Expenditure increased [excluding amount in (d) below]	557.64	286.32
(d)	Net monetary loss on hyperinflation economy	78.18	157.95

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

54 Interest of major non controlling interest in Group activities:

Summarised balance sheet	**Vila Vina. Participacions, S.L. (Step down subsidiary in Spain)**	
	31 March 2024	**31 March 2023**
Current assets	2,375.05	2,157.89
Current liabilities	(1,527.38)	(1,489.98)
Net current assets	**847.67**	**667.91**
Non-current assets	1,166.16	1,204.59
Non-current liabilities	(223.73)	(314.61)
Net non-current assets	**942.43**	**889.98**
Net assets	**1,790.10**	**1,557.89**
Accumulated non-controlling interest	**541.21**	**471.94**

Summarised profit and loss	**Vila Vina. Participacions, S.L. (Step down subsidiary in Spain)**	
	31 March 2024	**31 March 2023**
Revenue	4,393.56	4,091.35
Profit for the year	173.18	1.04
Other comprehensive income	-	-
Total comprehensive income	**173.18**	**1.04**
Profit allocated to non-controlling interest	69.27	0.41
Dividends paid to non-controlling interest	-	2.10

55 Leases

a. Refer note 3b for movement of ROU assets.

b. Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31 March 2024	**As at 31 March 2023**
Opening Balance	456.97	500.09
Additions	6.44	16.13
Payments	(108.24)	(95.68)
Accretion of interest	23.07	24.49
Translation reserve	26.24	11.94
Pre closure of Lease arrangement	(40.34)	-
Closing Balance	**364.14**	**456.97**
Current	73.17	87.27
Non-current	290.97	369.70

The effective interest rate for lease liabilities is in range from 1.50% to 24.00% per annum. (31 March 2023 - 1.50% to 24.00% per annum.)

c. **Impact on statement of profit and loss (decrease in profit before tax for the year)**

	As at 31 March 2024	**As at 31 March 2023**
Depreciation expense of right-of-use assets	62.41	70.16
Interest expense on lease liabilities	23.07	24.49
Other expenses	42.46	34.04
	127.94	**128.69**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

52 Financial instruments (Contd.)

d. Maturity analysis of leases

Refer note 52.4 for maturity analysis of lease liabilities.

e. Impact on the statement of cash flows is as below:

Impact on the statement of cash flows is as below:	31-Mar-24	31-Mar-23
Payment of principal portion of lease liabilities	85.17	71.19
Payment of interest portion of lease liabilities	23.07	24.49
Net cash used in financing activities	**108.24**	**95.68**

56 Transactions with Struck off companies

Name of struck off Company		Nature of transactions with struck off Company	Balance outstanding as on 31 March 2024	Relationship with the struck off company
1	Taneesh Travel & Tours Private Limited	Travel expenses	-	Vendor

Name of struck off Company		Nature of transactions with struck off Company	Balance outstanding as on 31 March 2023	Relationship with the struck off company
1	Taneesh Travel & Tours Private Limited	Travel expenses	(0.00)	Vendor
2	Analytical Solutions (India) Private Limited	Analysis Services	-	Vendor

57 The Group has complied with the number of layers of subsidiaries prescribed under Section 2(87) of the Companies Act, 2013.

58 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

59 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

60 A. The Group has not advanced or loaned or invested funds to any other persons or entity (other than intercompany transactions which are eliminated in the consolidated financial statements), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Group has not received any fund from any persons or entity (other than inter-company transactions which are eliminated in the consolidated financial statements), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

61 The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

All amounts are in ₹ million unless otherwise stated

62 The Group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

63 The quarterly returns or statements of current assets filed by the Group (including revised returns or statements) with banks or financial institutions are in agreement with the books of accounts.

64 During the year, the Group had a cyber security attack on one of it's ancillary applications used by the Holding Company and its two subsidiaries in India. The Group promptly acted on the incident and took steps to prevent the impact of the attack by deploying appropriate protective tools, scanning the devices and servers and corrective measures were taken on affected applications. Since the main ERP software of the Group remained unimpacted, there was no financial loss with respect to underlying financial / accounting information/data (including sales and invoicing). There was no disruption in the operations and the business had continued to operate normally as per defined processes.

65 The Group has used two accounting software for maintaining its books of account which have 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 (i) audit trail feature is not enabled for certain changes made using privileged/administrative access rights to the underlying database; (ii) in the absence of relevant information in the Service Organisation Controls report, it is not determinable whether the audit trail feature of the underlying database related to Zing HR application (used to maintaining payroll records and processing) operated throughout the year or whether there were any instances of the audit trail feature being tampered with. Further, no instance of audit trail feature being tampered with was noted in respect of SAP software.

66 The group has incurred certain acquisition related cost amounting to ₹ 9.90 million towards stamp duty on agreement, legal and professional fees and related other expenses in previous year.

67 There are no standards that are notified and not yet effective as on the date.

68 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

69 The consolidated financial statement were approved for issue by the board of directors on 15 May 2024.

As per our report of even date attached

For **S R B C & CO LLP**
Chartered Accountants
ICAI firm registration number- 324982E / E300003

Per **Anil Jobanputra**
Partner
Membership No - 110759

Thane, 15 May 2024

For and on behalf of the Board of Directors

Rajaram Narayanan
Managing Director &
Chief Executive Officer
DIN - 02977405

Vedprakash Ragate
Additional Director
DIN - 10578409

Saurav Bhala
Chief Financial Officer

Philip Trott
Company Secretary
Membership No: F-7403

SeQuent Scientific Limited

Regd. Office: 301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22,
Wagle Industrial Estate, Thane (West) - 400 604, Maharashtra, India.
Tel No.: +91 22 4111 4777 | **CIN:** L99999MH1985PLC036685
Website: www.sequent.in | **Email:** investorrelations@sequent.in

NOTICE

NOTICE is hereby given that the Thirty-Ninth Annual General Meeting ('AGM') of the Members of SeQuent Scientific Limited (the **'Company'**) will be held on Tuesday, September 17, 2024, at 04.30 p.m. (IST) through Video Conferencing ('VC') / Other Audio-Visual Means (**'OAVM'**) to transact the following businesses:

Ordinary Business:

Item No. 1: Adoption of Audited Financial Statements for the Financial Year ended March 31, 2024

To receive, consider, approve and adopt:

a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the reports of Board of Directors and Auditors thereon; and

b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, and the report of the Auditors thereon.

Item No. 2: Appointment of Director

To appoint a director in place of Dr. Fabian Kausche (DIN: 08976500), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3: Re-appointment of Statutory Auditors

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, Section 142 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and approval of the Board of Directors of the Company, M/s. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/ E300003), be re-appointed as the Statutory Auditors of the Company to hold office for a second term of 5 (five) consecutive years from conclusion of this Annual General Meeting until the conclusion of the 44th Annual General Meeting of the Company, at such remuneration as may be determined by the Board."

Special Business:

Item No. 4: Ratification of Remuneration payable to the Cost Auditor for the Financial Year 2024-2025

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents and permissions, if required, the remuneration of upto ₹. 3,85,000 (Rupees Three Lakh Eighty Five Thousand Only) plus applicable tax and re-imbursement of out-of-pocket expenses payable to M/s. Joshi Apte & Associates, Practicing Cost Accountants, who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above Resolution.

Item No. 5: Payment of fee for consultancy/professional services to be availed from FK Consulting, LLC, a company owned by Dr. Fabian Martin Kausche (DIN: 08976500) Non-Executive Non-Independent director of the company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent of the Members of the Company be and is hereby accorded for payment of consultancy/professional service charges to FK Consulting, LLC, a company incorporated in United States of America and owned by Mr. Fabian Martin Kausche (DIN: 08976500) a Non-Executive Non-Independent Director of the Company, not exceeding USD 75,000 (United States Dollar Seventy Five Thousand Only) in any financial year, through its subsidiaries abroad, commencing from April 01, 2024 for a period upto 3 (three) years, for the consultancy provided/given by them on project basis.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to engage or delegate to any director/s of the Company or its subsidiaries, to engage with FK Consulting, LLC, to discuss, negotiate, fix the duration, terms and condition including fees; and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above Resolution.

Item No. 6: Payment of fee for consultancy/professional services to be availed from Mr. Gregory John Andrews (DIN: 08904518) Non-Executive Non-Independent director of the Company under Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent of the Members of the Company be and is hereby accorded for payment of consultancy/professional service charges to Mr. Gregory John Andrews (DIN: 08904518) Non-executive Non-Independent director of the Company not exceeding USD 75,000 (United States Dollar Seventy Five Thousand Only) in any financial year, through its subsidiaries abroad, commencing from April 01, 2024 for a period upto 3 (three) years, for the consultancy provided/given by him on project basis.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to engage or delegate to any director/s of the Company or its subsidiaries, to engage with Mr. Gregory John Andrews, to discuss, negotiate, fix the duration, terms and condition including fees; and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above Resolution."

Item No. 7: Revision in remuneration payable to Mr. Rajaram Narayanan (DIN: 02977405), Managing Director and Chief Executive Officer of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or reenactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and provisions of Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, consent of the Members of the Company be and is hereby accorded to the revision in remuneration of Mr. Rajaram Narayanan, Managing Director & CEO of the Company and of Alivira Animal Health Limited (Alivira), a wholly owned subsidiary of the Company, for the FY 2024-25 along with perquisites as mentioned in the explanatory statement and such increment and perquisites be paid from Alivira.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals, statutory, contractual or otherwise, in relation to the above, and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.

By order of the Board of Directors of
SeQuent Scientific Limited

Phillip Trott
Company Secretary & Compliance Officer
Membership No.: FCS 7403

Place: Thane
Date: August 23, 2024

NOTES:

1. Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the disclosures in relation to Item No. 2 and Item No. 7 of the Notice, as required under the Listing Regulations and the Secretarial Standard-2 ('SS-2) on General Meeting issued by the Institute of Company Secretaries of India forms part of this Notice as **Annexure-A and Annexture-B.**

3. In line with the MCA Circulars and the SEBI Circulars, the notice of the 39th AGM along with the Annual Report 2023-24 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that the Notice and Annual Report 2023-24 will also be available on the Company's website at http://www.sequent.in/investor-relations.aspx and on the websites of the Stock Exchanges i.e. BSE Limited and NSE at www.bseindia.com and www.nseindia.com respectively, and and on the website of NSDL, https://www.evoting.nsdl.com

4. Pursuant to the provisions of the Act, a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip are not annexed to this notice.

5. Since the AGM will be held through VC/OAVM, the route map of the venue for the Meeting is not annexed hereto.

6. The following documents will be available for inspection by the Members electronically during the AGM.

   a) Register of Directors and Key Managerial Personnel and their Shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Section 189 of the Act. Act.

   Members seeking to inspect such documents can send an e-mail to investorrelations@sequent.in

7. Members desirous of obtaining any information/ clarification on the financial statements or any of the resolutions as detailed in the Notice are requested to write to the Company on or before September 12, 2024 through an e-mail to investorrelations@sequent.in specifying his/her name along with Client ID/ DP ID or Folio No., as the case may be and the replies to these queries may be given by the Chairman/ Managing Director during the course of AGM or subsequently via e-mail.

8. **KYC Updation**

   SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.

   Non-Resident Indian Members are requested to inform RTA/ respective Depository Participants, immediately of any:

   a) Change in their residential status on return to India for permanent settlement.

   b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

   SEBI vide its notification dated January 24, 2022, has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

   To prevent fraudulent transactions, Members are advised to exercise due diligence and notify to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Company's Registrar and Transfer Agent of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

9. Procedure for e-voting and joining AGM through VC/OAVM

In compliance with the provisions of Section 108 of the Act read with Relevant Rules, SS-2, Regulation 44 of the Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through National Securities Depository Limited (NSDL).

General instructions for accessing and participating in the AGM through VC/OAVM Facility and voting through electronic means including remote e-voting is annexed hereto as **Annexure-C.**

10. Scrutinizer for the AGM

The Company has appointed M/s. Nilesh Shah and Associates, Practicing Company Secretaries, represented by Mr. Nilesh Shah (having Membership No. FCS 4554) or failing him, Ms. Hetal Shah (having Membership No. FCS 8063) to scrutinize the remote e-voting process and e-voting done through VC at the AGM in a fair and transparent manner.

The Scrutinizer shall submit his report to the Chairman or the Company Secretary after completion of the scrutiny.

Results of the Meeting along with the Scrutinizers Report shall be declared by the Chairman or the Company Secretary within the timeline prescribed under the Listing Regulations and shall be displayed on the Company's website, besides being communicated to the Stock Exchanges, Depositories and Registrar and Transfer Agent.

11. Email Address Registration/Updating

Those Members who have not yet registered or updated their email addresses are requested to register or update their email addresses by following the procedure given below for receiving all the communications including annual report, notices, letters etc., in electronic mode from the Company:

- Members holding shares in Demat form may temporarily register their e-mail addresses with the RTA at einward.ris@kfintech.com or Company at investorrelations@sequent.in by providing details such as Name, DPID/Client ID, PAN, mobile number and e-mail ID. It is clarified that for permanent registration of e-mail address, the Members are requested to register the same with their respective Depository Participant.
- Members holding shares in physical form, are requested to register or update their email addresses by submitting physical copy of Form ISR-1 to the RTA at below mentioned address along with the scanned copy of Form ISR-1 to RTA at einward.ris@kfintech.com and the Company at investorrelations@sequent.in:

  KFin Technologies Limited
  (formerly known as KFin Technologies Private Limited)
  Unit: Sequent Scientific Limited
  Selenium Tower B, Plot Nos. 31 & 32, Financial District
  Nanakramguda, Serilingampally Mandal,
  Hyderabad – 500032.

  ISR-1 Form can be downloaded from the web link: https://sequent.in/pdf/downloads/Form%20ISR-1_p.pdf

12. KPRISM from KFintech, RTA

Members are requested to note that, our Registrar and Share Transfer Agents (KFintech/ RTA) have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFintech.

Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM".

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 ('Act'), the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 3 of the accompanying notice:

Item No. 3: Re-appointment of Statutory Auditors

M/s. S R B C & Co. LLP Chartered Accountants (Firm Registration No. 324982E/E300003) were appointed the Statutory Auditors of the Company, for a period of 5 years from the Thirty-fourth Annual General Meeting till the conclusion of Thirty-ninth Annual General Meeting, pursuant to provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Further, in terms of the provisions of the Companies Act, 2013, M/s. S R B C & Co. LLP, Chartered Accountants are eligible for re-appointment for a further period of 5 years. M/s. S R B C & Co. LLP, Chartered Accountants have given their consent for re-appointment as Statutory Auditors of the Company and has provided certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder. The Board of Directors based on the recommendation of the Audit Committee propose to appoint M/s. S R B C & Co. LLP Chartered Accountants (Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company for a period of 5 (Five) years to hold the office from the conclusion of this Annual General Meeting till the conclusion of Forty-fourth Annual General Meeting.

Information pursuant to Regulation 36 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

a) Proposed fees payable to the statutory auditor(s) along with terms of appointment. Proposed fee: ₹ 70,00,000 (Rupees Seventy Lakhs only) (excluding taxes) for Financial Year 2024-25 plus out of pocket expenses. The fee paid to auditors during the previous term and Financial Year 2023-24 was ₹ 86,00,000 (Rupees Eighty Lakh only) (excluding taxes) plus out of pocket expenses. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration for next financial year onwards, in such manner and to such extent as may be mutually agreed with the Statutory Auditors

b) Basis of appointment/re-appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed/re-appointed. The Management, Audit Committee and Board of Directors thought it fit to consider continuing M/s. S R B C & Co LLP as Statutory Auditors of the Company due to global operations of the Company and of M/s. S R B C & Co LLP. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

Credentials of S R B C & Co LLP: S R B C & Co LLP,

Established in the year 2002, is a member firm in India of Ernst & Young Global Limited and is a part of S. R. Batliboi & Affiliates network of audit firms. As on 31 March 2024, the said network of audit firms had 90 partners and employed more than 3,000 people.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise) in the proposed Ordinary Resolution.

The Board recommends the **Ordinary Resolution** as set out in Item No. 3 for approval by the Members.

Item No. 4: Ratification of Remuneration payable to the Cost Auditor for the Financial Year 2024-2025

In terms of provisions of Section 148 (3) of the Companies Act, 2013 and the Companies (cost records and audit) Rules, 2014 as notified by Ministry of Corporate Affairs, the Company has to appoint a Cost Auditor for the financial year 2024-25 within one hundred and eighty days of the commencement of every financial year. In compliance with the same, the Board in its meeting held on May 15, 2024, appointed M/s. Joshi Apte & Associates, Practicing Cost Accountant, as Cost Auditor for the Financial Year 2024-2025 on a remuneration of upto ₹ 3,85,000 (Rupees Three Lakh Eighty-Five Thousand Only) per annum plus applicable taxes and out of pocket expenses on the recommendation of the Audit Committee of the Company.

As per Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as approved by the Board of Directors has to be ratified subsequently by the members of the Company. Accordingly, members' approval is sought for ratification of remuneration to M/s. Joshi Apte & Associates, Practicing Cost Accountant, for the Financial Year 2024-25.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way, concerned or interested (financially or otherwise) in the proposed Ordinary Resolution.

The Board recommends the **Ordinary Resolution** as set out in Item **No. 4** for approval by the Members.

Item No. 5: Payment towards consultancy/professional services to be availed from FK Consulting, LLC, a company owned by Dr. Fabian Martin Kausche (DIN: 08976500) Non-Executive Non-Independent director of the Company.

As per Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015, all fees or compensation (except sitting fees), if any, paid to non-executive directors including independent director shall require approval of shareholders in general meeting.

The Company proposes to avail consultancy services from FK Consulting, LLC having its office at 10667 Polly Taylor Road, Johns Creek Georgia 30097 United States of America, a company owned by Dr. Fabian Martin Kausche (DIN: 08976500) Non-Executive Non-Independent director of the Company based on his rich and core experience in the field of Company's business.

Background of Dr. Fabian Martin Kauche (Dr. Kauche)

Dr. Kausche currently serves as Deputy Director General for Research and Innovation at ILRI, a CGIAR Research institute in Nairobi, Kenya. Dr. Kausche also owns and runs FK Consulting, LLC, Atlanta, GA, USA. Previously he was chairman of PetMedix a Cambridge, UK based startup that was recently acquired by Zoetis. He has several decades of experience in the animal and human health industries in both biological and pharmaceutical research and development. He held subsequent positions as Global Head of R&D for Novartis Animal Health, Merial, and Boehringer Ingelheim Animal Health and worked in the human health space as head of R&D for Novartis Consumer Health. Prior to that, he also successfully led a companion animal sales force for Novartis Animal Health. Dr. Kausche received a veterinary degree from the Hannover Veterinary School. He subsequently completed a Master's of Science degree at Iowa State University. Following the completion of the M.S. degree, he completed the Advanced Management Program in 2005 and is also an alumnus of Harvard Business School.

The Company has obtained appropriate approvals from Audit Committee and Board of Directors and this transaction will be at arm length and in the ordinary course of business.

The Board recommends the **Ordinary Resolution** as set out in Item **No. 5** for approval by the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Dr. Fabian Martin Kausche (DIN: 08976500) Non-Executive Non-Independent director, is in any way, concerned or interested (financially or otherwise) in the proposed Ordinary Resolution.

Item No. 6: Payment towards consultancy/professional services to be availed from Mr. Gregory John Andrews (DIN: 08904518) Non-Executive Non-Independent director of the Company

As per Regulation 17(6)(a) of SEBI (LODR) Regulations, 2015, all fees or compensation (except sitting fees), if any, paid to non-executive directors including independent directors and shall require approval of shareholders in general meeting.

The Company proposes to avail consultancy services from Mr. Gregory John Andrews (DIN: 08904518) (Greg) Non-Executive Non-Independent director of the Company based on his rich and core experience in the field of Company's business.

Background of Mr. Gregory John Andrews

Greg is a multi-disciplinary executive with 30 years of commercial experience in the pharmaceutical industry. He is a dynamic business leader who creates a positive impact on the business environment through change and active engagement of both internal and external stakeholders.

Currently Greg is a global animal health consultant with offices in the USA and France. He previously held executive positions within three of the major animal health companies where he gained global experience living and working in Australia, Belgium, France and the USA.

Marketing, communications and management are core disciplines for Greg. He has led many marketing teams in the USA and Europe and most recently was the Global Marketing Director for Virbac. Greg headed global Public Affairs and Policy for Pfizer Animal Health during its IPO transition to Zoetis. He has also held numerous senior management roles including country management for Belgium and the Netherlands and was Vice President for emerging markets in Europe, Africa, Middle East, Russia and CIS.

The Company has obtained appropriate approvals from Audit Committee and Board of Directors and this transaction will be at arm length and in the ordinary course of business.

The Board recommends the **Ordinary Resolution** as set out in Item **No. 6** for approval by the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Gregory John Andrews Non-Executive Non-Independent director, is in any way, concerned or interested (financially or otherwise) in the proposed Ordinary Resolution.

Item No. 7: Revision in remuneration payable to Mr. Rajaram Narayanan, Managing Director and Chief Executive Officer of the Company

Mr. Rajaram Narayanan, Managing Director and Chief Executive Officer (CEO) (Rajaram) was appointed w.e.f. April 11, 2022 vide shareholders special resolution passed on April 09, 2022, for a period of 5 years. Rajaram was also appointed as the Managing Director & CEO of Alivira Animal Health Limited, India, a wholly owned subsidiary of the Company (Alivira). His remuneration was fixed at ₹ 4 Crore per annum including a variable pay of ₹ 1 Crore per annum and such remuneration to be paid by the Company and Alivira, in proportion as decided by the Nomination and Remuneration Committee, however not exceeding ₹ 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) from the Company.

Based on the recommendation of Nomination and Remuneration Committee (NRC) of Sequent, the Board of Directors of Alivira has approved an increment in remuneration of Rajaram for the financial year 2024-25, to be paid by Alivira, as detailed in the table below.

The NRC also approved House Rent allowance of ₹ 3,20,000/- (Rupees Three Lakhs Twenty Thousand only) per month to be paid by Alivira for the apartment used for the residential use of Rajaram.

The proposed remuneration of Rajaram for FY 2024-25 is as under:

Remuneration	As per shareholders' approval dated April 09,2022	Proposed for FY 2024-25
Fixed Pay	3,00,00,000/-	3,36,72,864/-
Variable Pay upto*	1,00,00,000/-	1,34,69,148/- (40% of total remuneration)
Total Remuneration for FY 2024-25	4,00,00,000/-	4,71,42,012/-

* Variable payout shall be decided by the NRC based on achievement of pre-agreed KPIs to be decided between the NRC and Rajaram.

Since the increment amount will lead to an increase in overall remuneration beyond ₹ 4 Crore as approved by the shareholder, Shareholders approval is being sought for payment of such increment and house rent allowance.

Disclosure as required under Schedule V of the Companies Act, 2013 is set out in s Annexure B to this Notice.

The Board recommends the **Special Resolution** as set out in Item **No. 7** for approval by the Members.

Except Rajaram, none of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, thereof, are concerned or interested, financially or otherwise in the Resolution mentioned at Item No. 7 of the Notice.

Rajaram has no other pecuniary relationship with the Company except to the extent of his remuneration from the Company.

By order of the Board of Directors of
SeQuent Scientific Limited

Phillip Trott
Company Secretary & Compliance Officer
Membership No.: FCS 7403

Place: Thane
Date: August 23, 2024

ANNEXURE – A

Relevant details pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, is as given under:

Details of Dr. Fabian Kausche, Director of the Company:

Name of the Director	Dr. Fabian Kausche
DIN	08976500
Age	62
Nationality	United States of America
Date of first appointment on the Board	December 14, 2020
Brief resume, Qualification(s), Experience and Nature of expertise in specific function	Dr. Kausche currently serves as Deputy Director General for Research and Innovation at ILRI, a CGIAR Research institute in Nairobi, Kenya. Dr. Kausche also owns and runs FK Consulting, LLC, Atlanta, GA, USA. Previously he was chairman of PetMedix a Cambridge, UK based startup that was recently acquired by Zoetis. He has several decades of experience in the animal and human health industries in both biological and pharmaceutical research and development. He held subsequent positions as Global Head of R&D for Novartis Animal Health, Merial, and Boehringer Ingelheim Animal Health and worked in the human health space as head of R&D for Novartis Consumer Health. Prior to that, he also successfully led a companion animal sales force for Novartis Animal Health. Dr. Kausche received a veterinary degree from the Hannover Veterinary School. He subsequently completed a Master's of Science degree at Iowa State University. Following the completion of the M.S. degree, Having completed the Advanced Management Program in 2005, he is also an alumnus of Harvard Business School.
Terms and conditions of appointment or Reappointment	Non-Executive Non Independent Director Liable to retire by rotation
Details of remuneration sought to be paid and remuneration last drawn	Sitting Fees: ₹ 1,00,000 for attending each meeting of the Board and Committee. Commission: Approval of the Members of the Company is sought to pay to its Non-Executive Directors such commission as the Board of Directors may from time to time determine not exceeding 2% of the net profits of the Company for that financial year, computed in the manner provided in Section 198 of the Act.
Shareholding in SeQuent Scientific Limited as at the date of notice	Nil
Relationship with other directors, Managers	None
and Key Managerial Personnel of the Company	Board Meetings: 5 out of 6
Number of Board & Committee Meetings attended during the FY 2023-24	He is not a Member/Chairman of any Committees
Membership/Chairmanship of the Committees of SeQuent Scientific Limited	He is not a director of any other Indian company
List of Directorships held in Other Companies	None
Listed entities from which the appointee has resigned in the past 3 years:	

ANNEXURE -B

STATEMENT PURSUANT TO PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NOS. 1 OF THE NOTICE

I. General Information:

(i) Nature of Industry: Pharmaceutical – Animal Health Industry

(ii) Date or expected date of Commencement of Commercial production:

Not Applicable – The Company is an existing Company

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable - The Company is an existing Company

(iv) Financial performance based on given indicators of the Company

₹ In Million

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total income	2145.00	2509.27	2472.69
Profit / (Loss) before tax	(2.30)	(97.46)	156.90
Profit / (Loss) after tax	6.30	(60.80)	147.99

(v) Foreign Investment or collaborations, if any: The foreign investment in the Company is 52.79% of the Paid-up Share Capital of the Company as on March 31, 2024. The Company does not have any foreign collaborations.

II. Information about the appointee

(i) Background details:

Brief profile of Rajaram:

With over 30 years of experience, Rajaram has a strong track record of leading revenue and profitability growth across multiple industries including pharmaceuticals. He was appointed as Managing Director and CEO of Sequent Scientific Limited w.e.f April 22, 2022. During the last two years Mr Rajaram Narayanan has led the transformation agenda of the company , reprioritising growth drivers and implementing a comprehensive agenda to return the company to profitable growth. He was earlier Managing Director and Country Chair for Sanofi India Limited, where he he led a large portfolio of businesses, resulting in accelerated growth in key therapies and increased competitiveness of Sanofi's market operations. He has also served as Chief Marketing Officer at Airtel, India's leading telecommunications company. Rajaram started his career at Hindustan Unilever Ltd., where he held various leadership roles in India and other Asian markets for over 18 years, building and managing many iconic consumer brands.

Rajaram holds a Degree in Engineering from Birla Institute of Technology and Science, Pilani, and MBA from Indian Institute of Foreign Trade, New Delhi. He has completed the Advanced Management Program from Harvard Business School, USA

(ii) Past remuneration, recognition or awards:

Rajaram's remuneration was fixed at ₹ 4 Crore per annum including a variable pay of ₹ 1 Crore per annum as approved by the shareholders of the Company vide Special Resolution dated April 09, 2022 and such remuneration to be paid by the Company and Alivira, in proportion, however not exceeding ₹ 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) from the Company. During the preceding year 2023-24 Rajaram was paid remuneration of ₹ 2,11,75,008/- (Rupees Two Crore Eleven Lakh Seventy-five Thousand and eight only) from the company

(iii) Job Profile and suitability:

Considering Rajaram's solid track record of successfully transforming businesses in highly complex and regulated industries, the Board believes that his strategic vision as well as operational expertise and rigor will be pivotal for the Company's next phase of growth and success.

(iv) Increment in Remuneration proposed:

Proposed remuneration as per the table below:

Remuneration	As per shareholders' approval dated April 09,2022 (₹)	Proposed for FY 2024-25 (₹)
Fixed Pay	3,00,00,000/-	3,36,72,864/-
Variable Pay upto*	1,00,00,000/-	1,34,69,148/- (40% of total remuneration)
Total Remuneration for FY 2024-25	4,00,00,000/-	4,71,42,012/-

* Variable payout shall be decided by the NRC based on achievement of pre-agreed KPIs to be decided between the NRC and Rajaram.

Rajaram shall also be provided House Rent allowance of ₹ 3,20,000/- (Rupees Three Lakhs Twenty Thousand only) per month to be paid by Alivira.

(v) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The remuneration payable to Rajaram has been benchmarked with the remuneration being drawn by other managerial personnel in the similar capacity of other Companies of comparable size in the pharmaceutical industry. Considering the general industry and the specific Company profile, the remuneration is in line with the industry levels and that of comparatively placed companies in India.

(vi) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Rajaram has no other pecuniary relationship with the Company except to the extent of his remuneration from the Company.

III. Other Information:

Reasons of loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company has inadequate profit for the financial year ended March 31, 2024 and Alivira has incurred loss for the same period. The company has however shown an increasing trends in margins as a result of the comprehensive restructuring program to improve profitability The Company has initiated various measures towards achieving organizational and operating efficiencies and strengthening its competitiveness.

The Company is currently focused on executing on its growth strategy by scaling its presence in existing markets, expanding into new markets, and accelerating research and development in Active Pharmaceutical Ingredients ("APIs") and Formulations

ANNEXURE-C

General instructions for accessing and participating in the AGM through Video Conference/ Other Audio-Visual Means (VC/ OAVM) Facility and voting through electronic means including remote e-Voting

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.sequent.in/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on September 13, 2024 at 9:00 A.M. and ends on September 16, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 10, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 10, 2024.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. September 10, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 10, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

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

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

4. Your User ID details are given below :

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

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

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

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

   c) How to retrieve your 'initial password'?

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

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

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

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

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

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

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

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nilesh@ngshah.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms.Veena Suvarna at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorrelations@sequent.in..
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorrelations@sequent.in.. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

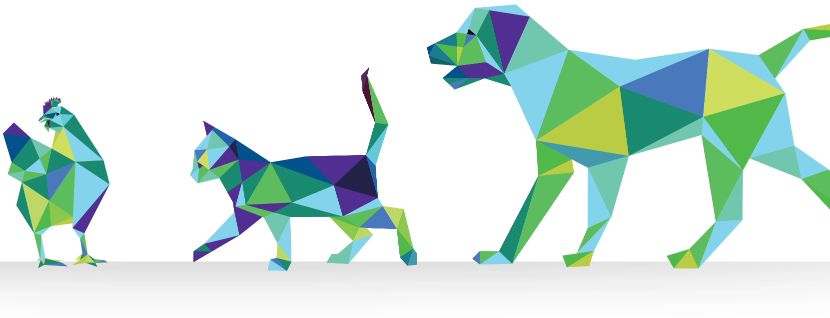
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorrelations@sequent.in. The same will be replied by the company suitably.

Instructions for Members for Attending the AGM Through VC / OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for AGM and will be available for Members on first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000.
7. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at investorrelations@sequent.in between September 13, 2024 (9.00 a.m. IST) and September 15, 2024 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.



Sequent
Proven Ability In Life Sciences

SeQuent Scientific Limited

CIN: L99999MH1985PLC036685
Registered Office
301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22, Wagle
Industrial Area, Thane (W), Mumbai – 400 604, Maharashtra, India.
Tel No: +91 22 4111 4777
Website: www.sequent.in | E-mail id: investorrelations@sequent.in

Concept, Content & Design
NEXT ST_PS (engage@nextsteps.net.in)