

# Balaxi

BALAXI PHARMACEUTICALS LIMITED  
ANNUAL REPORT FY 2023-24

# ADAPT ADVANCE EXCEL



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# OVERCOMING MARKET VOLATILITY WITH A ROBUST BUSINESS MODEL

FY24 was a year of significant economic turbulence, particularly in our key market, Angola. The unprecedented depreciation of the Angolan currency created severe disruptions in customer sentiment and market stability, impacting our financial performance. However, Balaxi Pharmaceuticals' robust business model, with its strategic focus on diversification, both geographically and in our product offerings, proved to be our saving grace. In the Latin American market, we continued leveraging our core competencies, significantly contributing to our pharmaceutical income with a robust gross profit margin. Our ability to remain net-debt-free and maintain financial stability during such challenging times underscores the strength and flexibility of our business model.

Our commitment to geographical expansion and deep market penetration played pivotal roles in overcoming the adversities. The backward integration of our supply chain is in the pipeline. We expanded our product registrations throughout the year, with a portfolio now boasting 960 registered products across multiple countries. Our proactive measures, including price corrections and strategic inventory management, were key in mitigating losses and capitalising on market recoveries. By the end of Q4, we had offset the initial setbacks and were able to enhance our gross profit margins. Balaxi Pharmaceuticals' steadfast dedication to innovation, efficient regulatory management, and leveraging our existing strengths ensured we remained resilient and poised for sustainable long-term growth. Our business model, characterised by diversification, strategic market focus, and robust supply chain integration, has proven to be our cornerstone in navigating and thriving amidst economic uncertainties.



# ABOUT US



Balaxi Pharmaceuticals Limited (“Balaxi Pharma”) is a globally recognised pharmaceutical company dedicated to enhancing healthcare in its markets. Renowned for its branded intellectual property rights (IPR) in multiple therapeutic areas, Balaxi Pharma primarily operates in frontier markets of Latin America and Africa. With an extensive range of pharmaceuticals across therapeutics, including a well-balanced mix of generics and branded generics, the company strives to make affordable healthcare accessible worldwide.

The diverse product portfolio includes antibiotics, analgesics, anti-malaria drugs, and more in multiple therapeutic areas. With an impressive track record of 960 product registrations in six countries and an additional 700 registrations underway, the company is committed to expanding its market presence.

Moreover, Balaxi Pharma is establishing a pharmaceutical formulation facility in Hyderabad, India, as part of its backward integration strategies. Balaxi Pharma remains dedicated to operational innovation, forging strategic partnerships and upholding stringent quality

## OUR PURPOSE

At Balaxi Pharma, our purpose is to bring high-quality everyday medicines within the reach of populations in promising frontier markets, thus creating sustainable value for all our stakeholders.

## OUR MISSION

Our mission is to be amongst the top pharmaceutical players in multiple global frontier markets, giving us scale, market homogeneity, healthy margins, and quality growth where value and volume are both established in a balanced way.

## OUR VISION

Our vision is to establish strong portfolios of pharmaceutical formulation registrations and strong channel networks in each market we target. The company also aims to establish its presence and expand into 20 frontier markets over the next 5 years.

## OUR VALUES

- Customer Centricity
- Quality Products
- Professional Approach
- Best-in-class Business Practice





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## CHAIRMAN & MD's MESSAGE

### Dear Stakeholders,

The past year has presented a complex and challenging business landscape yet revealed significant potential for our business model. Balaxi Pharmaceuticals has demonstrated exceptional resilience and adaptability, navigating through these challenges focused on strategic diversification and innovation.

### Seizing Opportunities

Our ability to manage product registrations and regulatory compliance in our targeted markets has been a cornerstone of our success. Throughout FY24, we expanded our product portfolio to 960 registered products across multiple countries, ensuring we meet diverse healthcare needs efficiently. This strategic diversification mitigates risks and strengthens our presence in the global market. The emerging potential in Latin America is promising. The company is poised to increase revenue from this region through deeper market penetration and initiatives to foray into more countries. Our strategic initiatives in this Latin American market underscore our commitment to geographical diversification and market penetration.

### Strong Market Positioning and foray into Institutional Sales

We continue strengthening our market position by forging partnerships and leveraging our core competencies. With a dedicated team, entry into institutional sales has opened new revenue streams, enhancing our market reach and operational efficiency. The strategic focus on backward integration into manufacturing is progressing well with establishing our pharmaceutical formulation facility in Hyderabad. This move will improve our supply chain control and ensure the highest quality standards and cost efficiency.

Our commitment to geographical expansion and deep market penetration has been a critical factor in overcoming adversities. We are enhancing our global footprint and revenue potential by establishing operations in new markets such as Honduras, El Salvador, and Nicaragua. This strategic expansion is crucial for capturing new opportunities and strengthening our market presence.

### Strategic Foundations and Pillars of Excellence

Balaxi's strategic framework is built on four key pillars: Customer Value Proposition, Resources, Processes, and Profit Formula. Our strategy involves immediate market entry into high-growth regions, infrastructure

development, and supply chain optimisation in the near term. We focus on international market penetration, product diversification, and operational efficiency for the mid-term. Long-term strategies include establishing a global manufacturing network and forging strategic partnerships to sustain growth and leadership in the pharmaceutical industry.

Our customer value proposition emphasises quality assurance by sourcing from WHO GMP-certified manufacturers, ensuring the availability of quality essential medicines in frontier markets. We uphold intellectual property rights, adhere to international standards, and enhance distribution networks to meet high demand. Collaborations with manufacturing partners boost production capabilities and market reach. Balaxi boasts an extensive product portfolio with 960 products across over 30 therapeutic areas. We have robust distribution networks and an experienced regulatory and compliance team for expanding business in frontier markets.

### Financial Performance

We maintained our financial stability with a total revenue of INR 241.29 crore. The unprecedented depreciation of the Angolan currency created severe disruptions in customer sentiment and market stability, impacting our financial performance. However, our proactive measures, including price corrections and strategic inventory management, were vital in mitigating losses and capitalising on market recoveries. By the end of Q4, we had offset the initial setbacks and enhanced our gross profit margins. Our ongoing strategic investments and market expansion initiatives will yield long-term benefits and improve margins as we enter FY25.

### Intellectual Capital and Market Strategy

Balaxi Pharmaceuticals leverages its robust intellectual capital to drive innovation, efficiency, and growth across its operations. Our intellectual capital encompasses advanced operational processes, senior leadership with multiple years of industry knowledge, a diverse and extensive product portfolio, strategic market selection methodologies, and a highly skilled workforce. Collectively, these elements enable us to create significant product, financial, and market value.

Our branded and generic product portfolio includes various dosage forms in multiple therapeutic areas. This extensive product range allows us to meet diverse medical needs and expand our market presence. We meticulously select our target markets, focusing on countries with significant economic

growth potential. By targeting non-English-speaking nations with low competition and high growth potential, we strategically position ourselves for success.

Our Regulatory Affairs Management is a cornerstone of our business, driving innovation and ensuring compliance. Digitised end-to-end, it streamlines processes, supports timely product launches and strengthens our value chain, reinforcing our key value proposition and competitive position through robust IP protection.

### Looking Ahead

As we move forward, our focus remains on sustaining growth and innovation. We are committed to exploring new markets, enhancing our product offerings, and maintaining rigorous regulatory compliance. Our investments in advanced manufacturing technologies and strategic market expansions will drive our long-term growth and stability. We remain dedicated to delivering high-quality healthcare solutions, creating sustainable value for all our stakeholders.

We have laid the groundwork for significant future growth by establishing operations in new markets such as Honduras, El Salvador, and Nicaragua. We continue to focus on improving cost efficiency through backward and forward integration. Our investments in advanced manufacturing facilities enhance control over our value chain and strengthen our ability to capitalise on emerging opportunities in our targeted markets. Our business model of stock and sale of medicines in diverse geographical locations ensures multiple revenue streams, reducing dependency on any single market. Our financial structure remains resilient, focusing on maintaining healthy liquidity and substantial capital reserves. This economic strength enables us to withstand market fluctuations and invest in strategic growth initiatives.

Thank you for your continued support and trust in Balaxi Pharmaceuticals.

Sincerely,

**ASHISH MAHESHWARI**  
Chairman and Managing Director  
Balaxi Pharmaceuticals

# MILESTONES

Balaxi Pharma has achieved significant milestones throughout its journey, demonstrating its commitment to growth and expansion in the pharmaceutical industry.



## 2003-2007:

The company commenced its operations by supplying white-labelled products to customers in Africa. These products were sourced from WHO GMP-certified plants based in India, ensuring the highest quality standards.



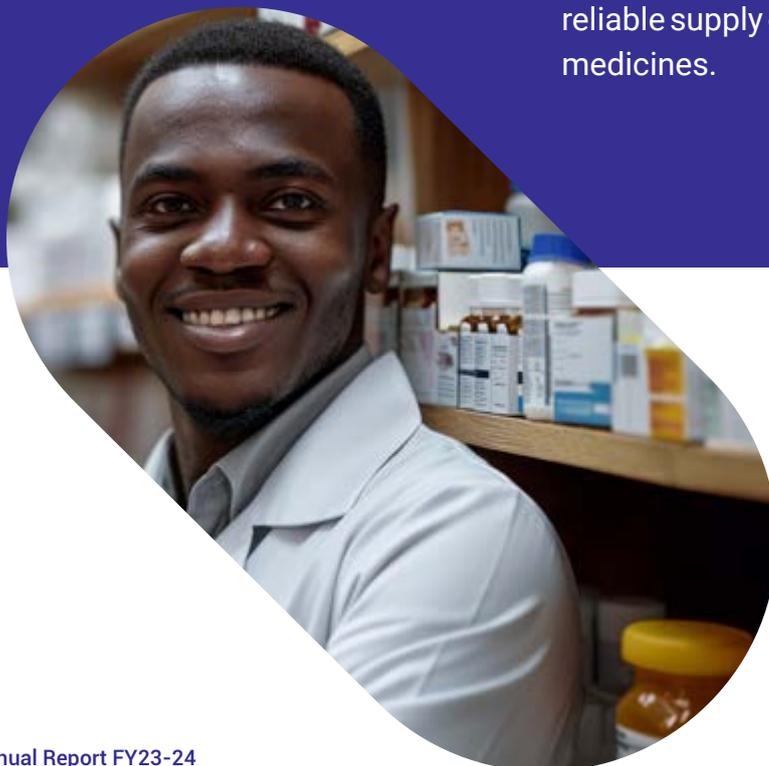
## 2008-2010:

Balaxi Pharma established a front-end presence by setting up its first pharma wholesale depot in Angola. This step helped enhance its distribution capabilities and strengthen its market position.



## 2011-2013:

The company diversified its supply chain by sourcing pharmaceutical products from WHO GMP-certified manufacturers in China. This strategic move allowed Balaxi Pharma to expand its product range and ensure a reliable supply of high-quality medicines.





### 2014-2016:

Continuing its expansion in Angola, Balaxi Pharma set up its 14th pharma wholesale depot and a central distribution warehouse. Additionally, the company made significant progress in the Dominican Republic by initiating product registrations and opening a central distribution warehouse.

### 2017-2019:

Balaxi Pharma expanded its presence by establishing a central distribution warehouse in Guatemala, marking its entry into the third geography. This expansion helped the company strengthen its distribution network and cater to a broader customer base.

### 2020-2024:

Balaxi Pharma expanded its operations by venturing into Honduras, El Salvador, and the Central African Republic. These strategic moves allowed the company to extend its reach and tap into new markets.

**Additionally, Balaxi Pharma achieved a significant milestone by completing a Preferential issue fundraising exercise, garnering INR 47.57 crore.** This substantial capital infusion is vital for the company's growth initiatives, specifically its strategic backward integration plan to establish its inaugural pharmaceutical formulation

facility in Hyderabad. This venture exemplifies Balaxi Pharma's unwavering dedication to vertical integration and enhancing its capabilities.

During the year, we successfully overcame short- to mid-term adverse trends in our markets through our inherent strategic

and operational agility. We also received most of the statutory approvals for our upcoming manufacturing facility.

# BUSINESS MODEL

## Customer Value Proposition



Balaxi Pharma emphasises quality assurance by sourcing from WHO GMP-certified manufacturers, ensuring the availability of quality essential medicines in frontier markets. The company upholds intellectual property rights, adhering to international standards and enhancing distribution networks to meet high demand as well as collaborations with manufacturing partners to boost production and product capabilities and market reach.

## Profit Formula



Balaxi's revenue growth is driven by market expansion and increased product penetration in existing markets. The company focuses on margin improvement, particularly for branded generics, and anticipates high efficacy products from the new manufacturing facility will boost profit margins. The profit formula emphasises enhancing revenue visibility and capturing opportunities for further growth.





## Resources



Balaxi boasts an extensive product portfolio with 960 products across over 30 therapeutic areas. The company has strong distribution networks and an experienced regulatory and compliance team for expanding business in frontier markets. Strategic partnerships with WHO GMP-certified manufacturers ensure a seamless supply chain. The management team brings a wealth of experience and industry insight, steering the company towards strategic growth.

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## Processes



Balaxi conducts thorough market research and utilises proprietary insights to stay ahead of market trends. The company excels in product registration, ensuring compliance with regulatory requirements for seamless market entry. Digitised regulatory management systems streamline compliance. Strategic market expansion initiatives and robust supply chain management, supported by SAP ERP, ensure uninterrupted product availability. Governance structures uphold ethical business practices, while enterprise risk management proactively addresses potential risks.

# MANUFACTURED CAPITAL



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At Balaxi Pharmaceuticals, we emphasise both our branded and generic products. We are establishing a state-of-the-art manufacturing unit to enhance our value chain capabilities. Significant progress has been made in this area, reflecting our commitment to improving production processes and supply chain efficiency.

Our new manufacturing facility in Hyderabad represents

a significant step towards achieving greater control over our production processes. This facility will produce high-quality pharmaceutical formulations, enhancing our ability to meet the demands of our expanding market. By integrating advanced manufacturing technologies and streamlined processes, we aim to bolster our operational capabilities and ensure consistent product quality.

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## **TRANSITION FROM 'ASSET LIGHT' TO 'ASSET RIGHT':**

As part of our corporate evolution, we are changing our business model from 'Asset Light' to 'Asset Right'. We are setting up our first pharmaceutical manufacturing facility in Jadcherla, Hyderabad, located in a Pharma SEZ. This strategic move aims to improve control over the manufacturing process, reduce dependency on third-party manufacturers, and ensure the highest quality standards.

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## THE TRANSITION INVOLVES SEVERAL KEY STAGES:



### MARKET RESEARCH:

Conducting comprehensive market research to identify demand trends and opportunities.



### PRODUCT IDENTIFICATION:

Selecting the right products based on market needs and regulatory requirements.



### PRODUCT REGISTRATION:

Ensuring all products meet the regulatory standards and are registered in the target markets.



### MANUFACTURING:

Setting up advanced manufacturing units to produce high-quality pharmaceutical formulations.



### MARKETING AND DISTRIBUTION:

Developing robust marketing strategies and distribution networks to ensure broad reach and accessibility of products.

## OPERATIONAL HIGHLIGHTS:

### PRODUCT REGISTRATIONS:

We have expanded our portfolio to 960 registered products across eight countries in Africa and Latin America, with over 700 additional products in the pipeline. This extensive product range spans various therapeutic areas, including Antibiotics, Analgesics, Anti-malaria drugs, and more.

### GEOGRAPHICAL EXPANSION:

We have successfully established operations in Honduras, El Salvador, and the Central African Republic. Additionally, we are pursuing expansions in Nicaragua, Ecuador, and Chile, reflecting our strategic focus on entering new markets and enhancing our global footprint.

### MANUFACTURING FACILITY:

We acquired land in Hyderabad for our first pharmaceutical formulation manufacturing unit. This facility is expected to become operational in the first quarter of FY26, marking a significant milestone in our manufacturing journey.

### BACKWARDS AND FORWARD INTEGRATION:

We focus on backward and forward integration to improve supply chain control and cost efficiency. By integrating the supply chain, we aim to streamline operations, reduce costs, and enhance product availability.

### EXPANDING SALES INITIATIVES:

To further enhance our revenue streams, we are expanding our sales channels in the institutional segment and actively pursuing tender business opportunities in Latin America.

# PRODUCT DIVERSITY AND QUALITY

**We offer diverse products, ensuring comprehensive healthcare solutions and addressing various geographies. Our focus on product diversity enables us to cater to a broad patient population and provide improved access to essential medications. Our commitment to quality is evident in our adherence to stringent regulatory standards and our strategic partnerships with WHO GMP-certified plants in India, China, and Portugal.**

## **GEOGRAPHIES:**

The company's strategic initiatives to expand into the Latin American (LATAM) market and reduce dependency on traditional markets resulted in reduced dependency on traditional markets. We serve these markets through our 38 warehouses, ensuring a seamless supply of essential medicines.

## **PRODUCTS:**

36% are branded, while 64% are generics.

## **DOSAGE FORMS:**

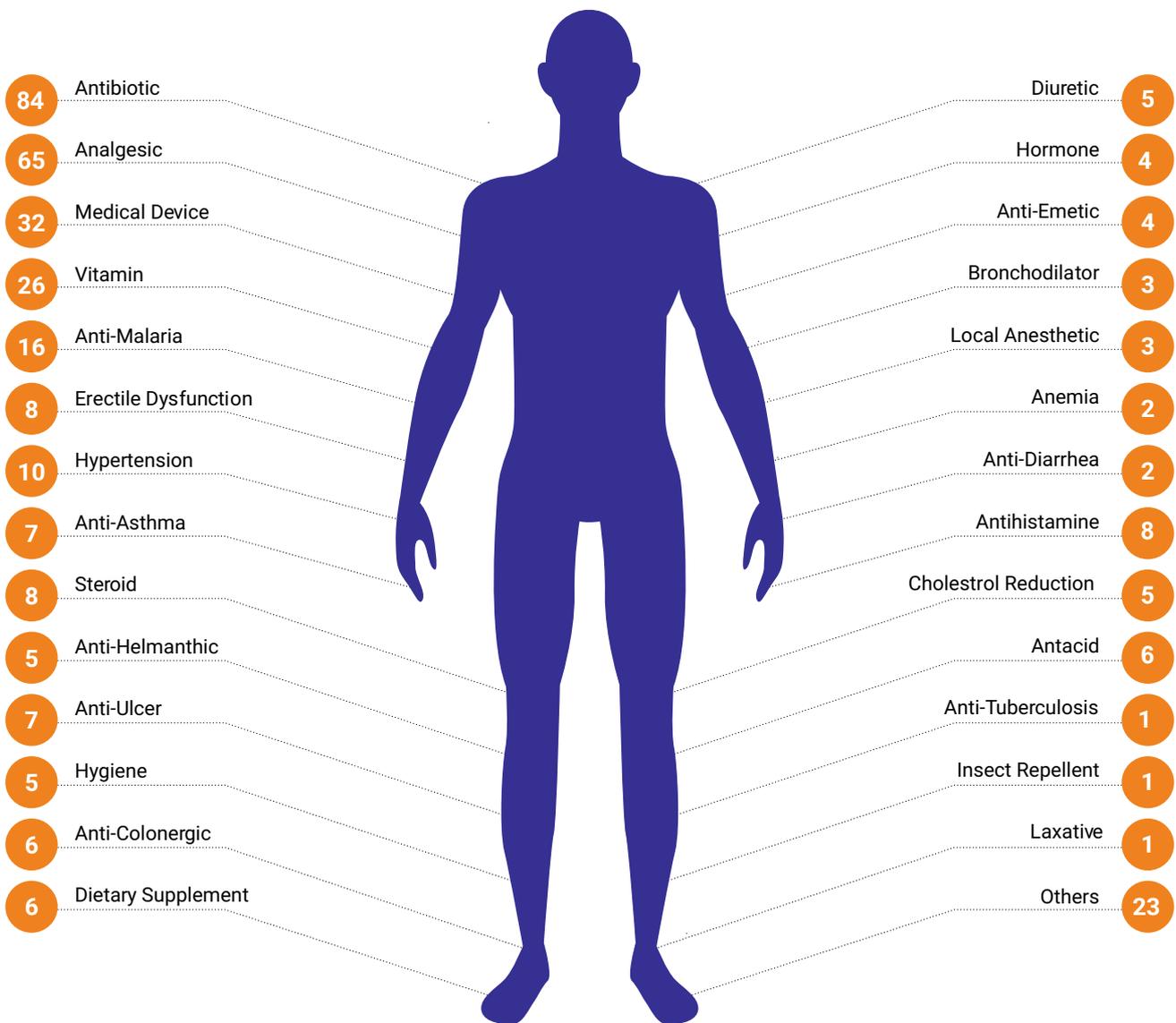
Tablets account for 43% of the product forms, injectables comprise 16%, liquids constitute 12%, capsules are 15%, and other forms represent 14%.

## **THERAPEUTIC AREAS:**

Our product portfolio spans various therapeutic areas, with 46% in antibiotics, 16% in analgesics, 6% in anti-malaria, and 34% in other therapeutic areas.

## **QUALITY:**

We prioritise delivering high-quality everyday medicines in our markets, ensuring compliance with international standards. Our upcoming manufacturing facility in Hyderabad is also aligned with this mission. We ensure quality by supporting WHO GMP-certified manufacturers and strategic partnerships for a seamless, quality-assured supply chain.



## STRATEGIC GROWTH IN PRODUCT PORTFOLIO

We have made remarkable strides in expanding our branded and generic medicines in various geographies. Our strategic approach to product distribution in our markets includes:

### BALANCE OF BRANDED AND GENERIC MEDICINES:

Our strategy of balancing branded and generic medicines allows us to cater to various market segments while optimising our revenue streams.

### REGULATORY COMPLIANCE AND QUALITY ASSURANCE:

We ensure top-notch quality by outsourcing production to WHO GMP-certified plants, guaranteeing adherence to the highest quality standards. We conduct quality audits of our WHO GMP-certified manufacturing partners to ensure top-tier product quality and safety

### ROBUST PRODUCT PIPELINE:

With over 700 product registrations in the pipeline, we are poised for significant growth.

# FINANCIAL CAPITAL



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**As we navigate through FY24, Balaxi Pharmaceuticals Limited remains steadfast in our commitment to financial resilience and strategic growth. Despite facing external challenges, our financial performance underscores our ability to adapt and thrive in dynamic market conditions.**

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## REVENUE AND PROFITABILITY:

### TOTAL REVENUE:

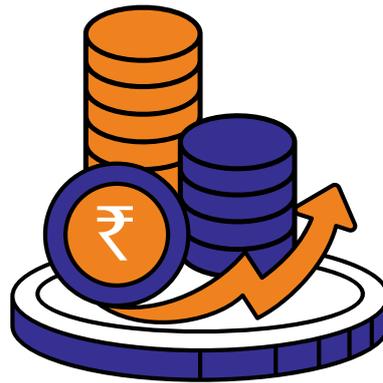
Our total revenue for FY24 stood at INR 241.29 crore, compared to INR 336.43 crore in FY23. This decrease is primarily attributed to market fluctuations and economic challenges, particularly in Angola, where currency depreciation significantly impacted our financials. However, our strategic initiatives in expanding product portfolios, extensive distribution networks and entering new markets are expected to drive future revenue growth.

### GROSS PROFIT:

We reported a gross profit of INR 112.61 crore, down from INR 134.01 crore in FY23, with a gross margin of 46.7%. Despite the decrease, our focus on cost efficiency and high-quality production has helped maintain a solid gross margin.

### EBITDA:

Our EBITDA for FY24 was INR 5.79 crore, reflecting a significant reduction from INR 59.17 crore in FY23, with an EBITDA margin of 2.40%.



### PROFIT AFTER TAX (PAT):

We reported a loss of INR 2.39 crore, compared to a profit of INR 45.96 crore in FY23. This short-term setback is due to external economic factors. The ongoing strategic investments and market expansion initiatives are expected to yield long-term benefits and improve margins.

### EARNINGS PER SHARE (EPS):

Our EPS for FY24 was negative INR 2.32, down from INR 45.81 in FY23.

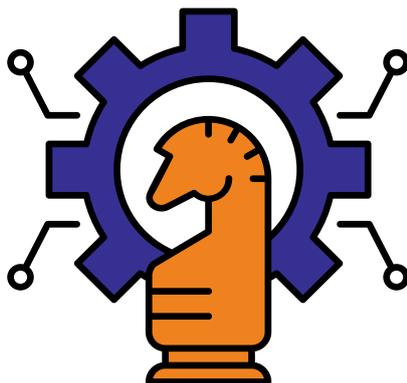
## STRENGTHS AND STRATEGIC INITIATIVES:

### ROBUST REVENUE STREAMS:

Our business model of selling medicines in diverse geographical locations ensures multiple revenue streams, reducing dependency on any single market.

### COST EFFICIENCY:

We continue to focus on improving cost efficiency through backward and forward integration. Our investments in advanced manufacturing facilities are designed to streamline operations and reduce production costs.



### STRATEGIC MARKET EXPANSION:

Despite short-term setbacks, our strategic expansions in Latin America have laid the groundwork for significant future growth. Establishing operations in new markets such as Honduras and El Salvador, and enhances our global footprint and revenue potential.

### FOCUS ON PRODUCT REGISTRATIONS:

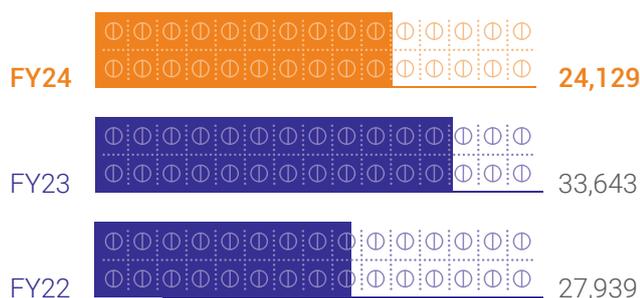
Our commitment to increasing product distribution capabilities is reflected in many product registrations and the availability of branded and generic medicines across therapeutics.

### RESILIENT FINANCIAL STRUCTURE:

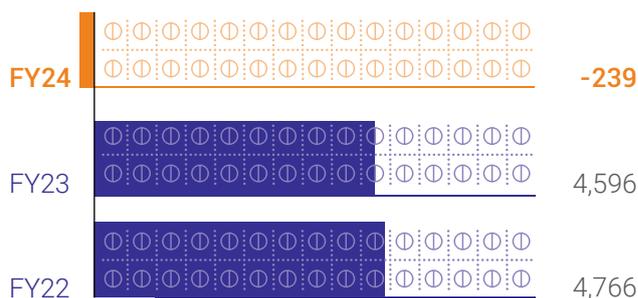
Our financial structure remains resilient, focusing on maintaining healthy liquidity and substantial capital reserves. This financial strength enables us to withstand market fluctuations and invest in strategic growth initiatives.

# FINANCIAL HIGHLIGHTS (₹ in Lakhs)

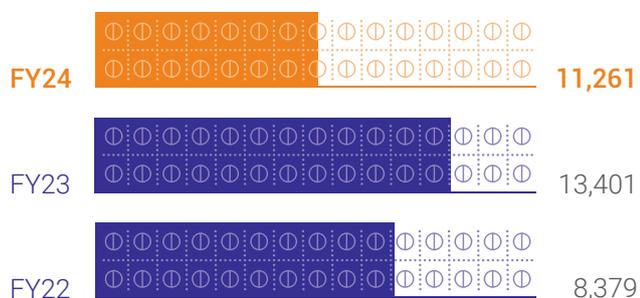
## REVENUE



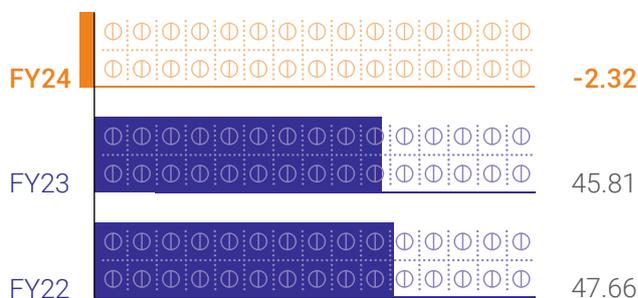
## PROFIT AFTER TAX



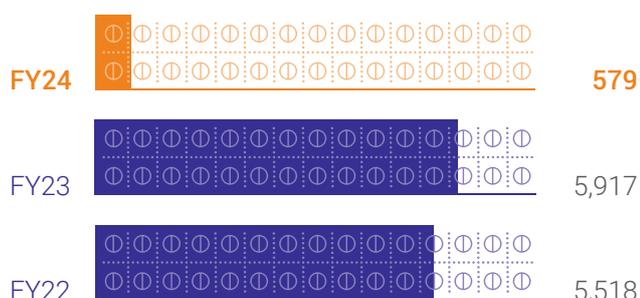
## GROSS PROFIT



## EARNINGS PER SHARE



## EBITDA



### IMPACT OF CURRENCY DEPRECIATION:

During the year's first quarter, the Angolan currency Kwanza underwent an unprecedented sharp depreciation, falling from 511.50 AOA/USD to 832.5 AOA/USD. Since our creditors in the books of Balaxi Angola are contracted in and due for settlement in USD, this resulted in a revaluation loss of 3.65 billion AOA (₹38.29 crore). The corresponding INR amount has been shown as an exceptional item in the profit and loss statement. Despite this setback, Balaxi Healthcare Angola has taken several price corrections during the year, and inventories carried at historical cost are now being sold at much higher prices, reflecting our adaptive pricing strategy and resilience in the face of currency fluctuations.



# INTELLECTUAL CAPITAL



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**Balaxi Pharmaceuticals leverages its robust intellectual capital to drive innovation, efficiency, and growth across its operations. Our intellectual capital encompasses advanced operational processes and senior leadership with multiple years of knowledge in the field. A diverse and extensive product portfolio, strategic market selection methodologies, and a highly skilled workforce. Collectively, these elements enable us to create significant product, financial, and market value.**

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**PRODUCT PORTFOLIO AND REGISTRATIONS:**

Our branded and generic product portfolio includes various dosage forms in multiple therapeutic areas. With 960 product registrations across six countries and an additional 700 registrations in progress or in the pipeline, we demonstrate our commitment to delivering high-quality healthcare solutions. This extensive product range allows us to meet diverse medical needs and expand our market presence.

**MARKET SELECTION METHODOLOGY:**

We meticulously select our target markets, focusing on countries with significant economic growth potential. By targeting non-English speaking nations with low competition and high growth potential, we strategically position ourselves for success. Our on-ground feedback mechanism provides insights into market dynamics, enabling us to make informed decisions and capitalise on emerging opportunities.

**REGULATORY AFFAIRS SYSTEMS:**

Our Regulatory Affairs Management is a cornerstone of our business, enabling us to meet regulatory requirements, drive innovation, and deliver high-quality pharmaceutical products to patients globally. We fully comply with the local regulatory frameworks in our markets. Our Regulatory Affairs Management is built on comprehensive in-house capabilities, supported by seamless cross-functional coordination with our

business and technology teams. This collaboration ensures a smooth and efficient regulatory process.

To enhance our operations, we have digitised our regulatory affairs. This end-to-end management system streamlines processes and ensures the highest data security standards. We actively support corporate planning and strategy by monitoring the typical 12-24-month regulatory process at every stage, facilitating timely product launches and market entries. Our firm commitment to regulatory compliance demonstrates our dedication to upholding the highest standards and reinforces the creation of strong local intellectual property (IP). By navigating the regulatory landscape effectively, we safeguard our IP assets and strengthen our competitive position in the local markets.

**COLLECTIVE KNOWLEDGE AND EXPERIENCE OF MANAGEMENT:**

Our management team's collective knowledge and experience are critical to our strategic direction and operational success. Our leadership comprises industry veterans with extensive experience in pharmaceuticals, regulatory affairs, and international market expansion, leading to 20 years of domain knowledge in managing the pharma value chain for frontier markets. This expertise enables us to effectively anticipate market trends, mitigate risks, and capitalise on growth opportunities.

**CREATING PRODUCT, FINANCIAL, AND MARKET VALUE:**

By leveraging our intellectual capital, we create substantial value across multiple dimensions:

**PRODUCT VALUE:**

Our diverse and high-quality product portfolio meets a broad spectrum of medical needs, ensuring we can cater to various markets and demographics.

**FINANCIAL VALUE:**

Strategic investments in digital systems, regulatory compliance, and market expansion drive cost efficiency and revenue growth, enhancing our financial performance.

**MARKET VALUE:**

Our meticulous market selection and strong customer relationships position us as a trusted healthcare provider in key markets, fostering brand loyalty and market share growth.

# QUALITY



**Balaxi Pharma is steadfast in its commitment to delivering high-quality medicines to frontier markets, ensuring customer satisfaction and creating sustainable value for stakeholders. Our quality policy emphasises bringing essential, high-quality everyday drugs within the reach of populations in these markets.**

## GOOD MANUFACTURING PRACTICE (GMP)

We adhere to Good Manufacturing Practice (GMP) guidelines by sourcing our products exclusively from WHO GMP-certified plants. This ensures that our products are consistently produced and controlled according to stringent quality standards, maintaining the highest level of safety and efficacy.

## QUALITY CERTIFICATIONS

Balaxi Pharma possesses several certifications for exporting and distributing pharma products in its existing and emerging markets.

- Two Star Export House Certificate from the Directorate General of Foreign Trade.
- Pharmexcil Registration from the Pharmaceuticals Export Promotion Council of India.
- FSSAI Certification
- APEDA Certification
- Federation of Indian Export Organisations Membership

## QUALITY MANAGEMENT DEVELOPMENTS IN FY24

Throughout FY24, Balaxi Pharma maintained rigorous quality assurance practices. We ensure the quality of our products by

conducting regular checks and audits at the supplier level, performed by our internal quality assurance team. This process guarantees that our products, sourced from WHO GMP-certified plants, meet the highest quality standards.

## QUALITY MANAGEMENT INITIATIVES

Balaxi Pharma prioritises quality by relying on WHO GMP-certified manufacturers. Our internal audits and quality checks at our supplier facilities ensure that the products we distribute uphold our commitment to excellence.

## CONTINUOUS QUALITY IMPROVEMENT

Balaxi Pharma continually seeks to enhance its quality management practices. By implementing stringent audit processes and maintaining strong relationships with our certified suppliers, we ensure the consistent delivery of high-quality pharmaceutical products to our markets.

Through these comprehensive quality management practices, Balaxi Pharma reinforces its dedication to providing safe, effective, high-quality medications that contribute positively to global health outcomes.



# OPERATING CONTEXT





## KEY DRIVERS:

### GROWING POPULATIONS AND INCREASING HEALTHCARE AWARENESS

Balaxi Pharma can leverage its deep distribution presence in frontier markets to reach expanding populations efficiently. By establishing operations and expansion initiatives in Latin American and African countries, Balaxi ensures the timely delivery of pharmaceutical products to meet the growing demand in these markets.

### LIMITED ACCESS TO QUALITY HEALTHCARE AND UNMET MEDICAL NEEDS

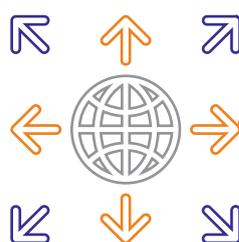
Balaxi Pharma's vast portfolio of pharmaceutical products enhances its brand reputation and credibility. This, in turn, can leverage the increasing healthcare awareness among the population. Balaxi can strengthen its leadership by tailoring its products and services to meet each market's specific needs based on the local population's healthcare awareness and preferences.

### UNDERDEVELOPED HEALTHCARE INFRASTRUCTURE, LOCAL MANUFACTURING, AND RELIANCE ON IMPORTS

Balaxi Pharma's new initiatives to strengthen functionality in the supply chain, regulatory affairs, and customer service align with the challenges of underdeveloped healthcare infrastructure and limited local manufacturing capabilities in frontier markets. By focusing on operational excellence and contributing to the development of local healthcare systems, Balaxi can bridge the gap in healthcare infrastructure.

# STRATEGIC HORIZON OF BALAXI PHARMACEUTICALS

Balaxi Pharmaceuticals has developed a comprehensive strategic plan to ensure sustainable growth and market leadership in the pharmaceutical industry. Our strategies are divided into near-term, mid-term, and long-term horizons, each focusing on different aspects of our business model to maximise our market presence and operational efficiency.



## Near Term Strategies:

### MARKET ENTRY AND EXPANSION:

- Focus on immediate market entry into select new regions with high growth potential.
- Leverage existing product portfolios to establish a foothold in these markets.

### INFRASTRUCTURE DEVELOPMENT:

- Accelerate the construction and operationalisation of the pharma formulation facility in Jadcherla, Hyderabad.
- Ensure compliance with international quality standards and regulations.

### SUPPLY CHAIN OPTIMIZATION:

- Strengthen the supply chain to support expanded operations.
- Enhance efficiency, reliability, and responsiveness to market demands.



## Mid-Term Strategies:

### INTERNATIONAL MARKET PENETRATION:

- Execute a phased approach to enter and consolidate the company's presence in the selected frontier markets.
- Tailor products and marketing strategies to meet the specific needs of each market.

### DIVERSIFICATION OF PRODUCT PORTFOLIO:

- Expand the range of pharmaceutical products to cater to diverse market demands across therapeutic areas.

### OPERATIONAL EFFICIENCY:

- Optimise upcoming manufacturing processes and supply chain management.
- Implement technology solutions to enhance productivity and reduce costs.



## Long-Term Strategies:

### GLOBAL MANUFACTURING NETWORK:

- Establish additional manufacturing facilities strategically located across key regions to ensure a robust and diversified global manufacturing network.

### STRATEGIC PARTNERSHIPS AND ALLIANCES:

- Forge long-term collaborations and partnerships with local distributors, healthcare providers, and regulatory bodies in target markets.
- Strengthen relationships for sustained growth.

### LEADERSHIP:

- Invest significantly in product identification and market research to become a leader within the pharmaceutical industry.
- Focus on getting into market-essential drugs.

# MARKET ANALYSIS OF OUR GEOGRAPHIC LOCATIONS



## GUATEMALA:

Guatemala's pharmaceutical market is poised for significant revenue growth, driven by the Ministry of Public Health's regulations. The country's demographic profile, with a growing young population, presents a robust demand for healthcare products. Economic stability and improving healthcare infrastructure further bolster market potential. For an Indian company like Balaxi, which is adept at navigating complex regulatory environments, Guatemala offers a promising market for both branded and generic pharmaceuticals.

**\$1699**

million Pharma Import in 2022

**\$95**

billion GDP 2022

**\$5,096**

GDP Per Capita 2022

**\$18.6**

million Population 2022



## DOMINICAN REPUBLIC:

The Dominican Republic's pharmaceutical market is experiencing growing demand for healthcare solutions. With an increasing population and rising healthcare awareness, substantial market potential exists. The economic environment supports steady growth, and the country's regulatory framework, while complex, can be managed effectively by companies with robust regulatory affairs systems. Balaxi's expertise in regulatory compliance positions it well to capitalise on this market's opportunities.

**\$911.77**

million Pharma Import in 2022

**\$114**

billion GDP 2022

**\$10,719**

GDP Per Capita 2022

**\$10.6**

million Population 2022



## HONDURAS:

Honduras, Central America's fourth largest pharmaceutical market, is witnessing growing demand for healthcare solutions due to evolving demographics and health awareness. Despite infrastructure challenges, the regulatory landscape offers opportunities for companies capable of efficient navigation. The economic outlook and demographic shifts towards an older population enhance the market's attractiveness for pharmaceutical products. Balaxi's strategic focus on regulatory management and market penetration aligns well with the opportunities in Honduras.

**\$82.35**

million Pharma Import in 2022

**\$31.7**

billion GDP 2022

**\$3,079**

GDP Per Capita 2022

**\$10.3**

million Population 2022



### EL SALVADOR:

El Salvador's pharmaceutical market anticipates exponential growth, driven by rising healthcare needs and demographic shifts. The Ministry of Health's regulations create a competitive landscape, particularly for branded and generic medicines. Economic improvements and expanding healthcare infrastructure further support market growth. Balaxi's ability to manage regulatory complexities and its diverse product portfolio position it to meet the demands of El Salvador's growing market effectively.

**\$577.44**

million Pharma Import in 2022

**\$32.5**

billion GDP 2022

**\$5,128**

GDP Per Capita 2022

**\$6.3**

million Population 2022



### ANGOLA:

Angola's pharmaceutical market is dynamic, with emerging opportunities and challenges. The growing population and increased healthcare awareness drive demand, but navigating regulatory complexities is essential for market success. Despite recent economic volatility, the long-term outlook remains positive. Balaxi's experience in handling regulatory frameworks and its strategic approach to market expansion make it well-suited to capitalise on Angola's evolving pharmaceutical market.

**\$678.25**

million Pharma Import in 2022

**\$115.9**

billion GDP 2022

**\$3,246**

GDP Per Capita 2022

**\$35.7**

million Population 2022



### CENTRAL AFRICAN REPUBLIC:

The Central African Republic faces unique challenges with limited infrastructure and accessibility issues. However, the growing demand for medicines and reliance on international aid for healthcare initiatives create a significant market opportunity. Companies that can manage regulatory complexities and offer high-quality, affordable pharmaceuticals are well-positioned for success. Balaxi's strong regulatory affairs systems and strategic market selection methodologies enable it to effectively address the needs of the Central African Republic's pharmaceutical market.

**\$59**

million Pharma Import in 2022

**\$2**

billion GDP 2022

**\$491**

GDP Per Capita 2022

**\$5**

million Population 2022

# MARKET DEVELOPMENT STRATEGY



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**Balaxi Pharmaceuticals' market development strategy is centred on expanding its presence in key growth regions, leveraging intellectual property, fostering strategic collaborations, navigating complex regulatory landscapes, and optimising supply chain dynamics. This comprehensive approach ensures sustainable growth and market leadership in the pharmaceutical industry.**

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## TARGETING GROWTH REGIONS:

Balaxi focuses on regions with expanding populations and unmet healthcare needs to achieve successful market entry and expansion. Key target areas include Central America and Latin America.. The company continue to explore market opportunities in Africa. Due to their increasing demand for healthcare solutions, these regions offer significant growth potential.

### STRATEGIC COLLABORATION AND LICENSING:

Tapping into the expertise of a broader pharmaceutical ecosystem is essential for successful market entry. Balaxi explores licensing agreements with local manufacturers for the cost-effective production and distribution of generic drugs. These strategic collaborations enhance the company's ability to meet local market demands efficiently.

### LEVERAGING INTELLECTUAL PROPERTY ADVANTAGE:

Balaxi emphasises the importance of branding and securing product registrations for essential drugs across diverse markets and therapeutic areas. By leveraging its intellectual property, the company aims to establish a strong market presence and competitive advantage in these regions.

### NAVIGATING REGULATORY LANDSCAPES:

Navigating diverse regulatory landscapes is a critical component of Balaxi's strategy. The company employs an expert team and utilises technology-enabled regulatory management systems to capitalise on current opportunities. This approach successfully introduces branded and generic pharmaceuticals in various markets, effectively overcoming regulatory challenges.



# POTENTIAL MARKETS

## NICARAGUA:

Balaxi Pharmaceuticals is poised to enter the Nicaraguan market, a region projected to grow by 3.86% annually from 2024 to 2028. This growth will result in a market volume of approximately USD 155.10 million by 2028. Nicaragua's expanding pharmaceutical market, driven by increasing healthcare needs and a growing population, presents a significant opportunity for Balaxi to introduce its diverse portfolio of high-quality generics and branded medicines. By leveraging its expertise in navigating regulatory landscapes and establishing strong supply chains, Balaxi aims to substantially impact the Nicaraguan healthcare sector by providing accessible and affordable healthcare solutions.

**3.86%**

Growth rate from 2024 to 28

**\$115.10**

million market volume by 2028

## ECUADOR:

Ecuador's pharmaceutical market is forecasted to reach USD 783.30 million in 2024, with an expected annual growth rate of 6.10% from 2024 to 2028. This growth trajectory will lead to a market volume of USD 992.60 million by 2028. The increasing demand for healthcare solutions, demographic changes, and improving economic conditions make Ecuador a promising market for Balaxi. The company's strategy involves leveraging its robust portfolio of generics and branded drugs to meet the diverse healthcare needs of the Ecuadorian population. Balaxi aims to enhance its market presence and drive substantial growth in Ecuador by establishing strong distribution channels and forming strategic partnerships with local entities.

**\$783.30**

Million - pharma market  
by 2024

**6.10%**

Growth rate from 2024 to 28

**\$992.60**

Million market volume by 2028

## CHILE:

Chile represents a strategic market for Balaxi, with a projected significant rise in total consumer health and pharma sales. By 2035, the market is estimated to reach USD 5.32 billion. This anticipated growth is fueled by the country's economic stability, increasing healthcare awareness, and government initiatives to improve healthcare infrastructure. Balaxi plans to capitalise on these favourable conditions by introducing its extensive range of pharmaceutical products, focusing on both over-the-counter (OTC) and prescription medications. The company's strong focus on product registration and compliance with local regulations will facilitate a smooth entry into the Chilean market, ensuring long-term growth and sustainability.

**\$5.32**

billion estimated to reach by 2035

# BOARD OF DIRECTORS

The Board of Directors at Balaxi Pharma comprises a diverse group of experienced professionals who bring a wealth of knowledge and expertise to the company. With backgrounds spanning various sectors and industries, the board members offer valuable insights on corporate governance, strategic planning, risk management, finance, and regulatory compliance. Their collective experience enables them to make informed decisions, address challenges, and capitalize on emerging opportunities in the pharmaceutical industry.

Beyond their operational expertise, the board members also understand market dynamics, customer needs, and industry trends. This knowledge allows them to shape the company's growth strategies and drive innovation, ensuring Balaxi Pharma remains at the forefront of the industry. Additionally, the board's commitment to social responsibility and ethical practices ensures that the company operates with integrity, considering the broader impact of its actions. Together, the Board of Directors leveraged their collective experience and shared vision to guide Balaxi Pharma towards sustainable growth, industry leadership, and delivering value to stakeholders.



**MR. ASHISH MAHESHWARI**  
Chairman & Managing Director

Mr. Ashish Maheshwari is the founder of Balaxi Pharma and serves as the Chairman and Managing Director. He is a first-generation entrepreneur and a qualified Chartered Accountant. Mr Maheshwari started the business by supplying white-labelled pharmaceutical formulations to importers and successfully expanded the Balaxi Group into a conglomerate spanning four continents. He values knowledge, discipline, transparency, and accountability, and his leadership has been instrumental in the company's growth and success.



**MRS. MINOSHI MAHESHWARI**  
Non-Executive Director

Mrs. Minoshi Maheshwari is a co-founder of Balaxi Pharma and holds the position of Non-Executive Director. With an e-commerce background and over 20 years of experience, she played a crucial role in creating the Balaxi Group. Mrs. Maheshwari exemplifies a tenacious and persistent approach in her work. Besides her directorial responsibilities, she heads the group's corporate social responsibility (CSR) activities, showcasing her dedication to social impact.



**MR. KUNAL BHAKTA**  
Independent Director

Mr. Kunal Bhakta is an Independent Director at Balaxi Pharma. He is a qualified Chartered Accountant with more than 14 years of experience in Capital Markets. As an investment manager for First Water Capital Fund, a SEBI-registered listed markets AIF, Mr. Bhakta has successfully executed multiple M&A, capital raising, and Investor Relations Strategy Engagements in his previous roles. His expertise and insights contribute to the company's strategic decision-making process.

**MR. GANDHI GAMJI**

Independent Director

Mr. Gandhi Gamji, an Independent Director, brings a wealth of experience and expertise to the Balaxi Pharma Board of Directors. With a Master's Degree in Business Administration and a Bachelor's degree in Engineering, Mr. Gamji has over 20 years of experience trading in Africa and GCC countries, especially in Specialty Chemicals. His extensive knowledge of international trade, clarity of thought process, and adherence to ethical standards contribute to effective corporate governance and the company's sustainable development.

**MR. MANGINA SRINIVAS RAO**

Independent Director

Mr Rao has over three decades of experience in global markets, strategy formulation, project leadership, and fundraising. He holds a Master's in Business Management Degree from the Asian Institute of Management, Philippines. He has also completed PG Diploma courses at IIM Ahmedabad, Cornell University, and Kansas State University. Mr Rao has previously worked with ITC Ltd - Agri-Business Division as Head of New Initiatives, where he led the expansion into new and profitable verticals. He also worked as

the CEO of the Center for Good Governance in South Asia, which was mandated by BMFGF and USAID and implemented by CGIAR international institutions - IRRI, CIMMYT, IFPRI, and ILRI. He is on the Board of multiple other companies and specialises in Business Strategy and Corporate Governance.

# SENIOR MANAGEMENT



**MR. ASHISH MAHESHWARI**  
Managing Director

Mr. Ashish Maheshwari is the Founder and Managing Director of Balaxi Pharma. As a first-generation entrepreneur and a qualified Chartered Accountant, he started his entrepreneurial journey by supplying white-labelled pharmaceutical formulations to various importers. Under his visionary leadership, the Balaxi Group has evolved into a conglomerate spanning four continents. His management philosophy is underpinned by a passion for knowledge, discipline, transparency, and accountability.



**MR. AMOL MANTRI**  
Chief Financial Officer

Mr. Amol Mantri, a qualified Chartered Accountant and Certified Public Accountant from the USA, has been with the Balaxi Group since 2012. He brings an inherent talent for designing and implementing systematic processes and checks and balances across all operations of the Company. His deep understanding of the Company's business complexities, spread across four continents and seven countries, has been instrumental in its growth.



**MR. PRANAV MAHESHWARI**  
Senior Vice President – Business Development

Mr. Pranav Maheshwari, a BBA and Economics graduate from Emory University, Atlanta, is known for his keen observation, quick learning, and leadership from the front. He is responsible for originating the Company's vision for Latin America and overseeing the execution of the Company's growth strategy in this global region.



**MS. PARIDHI MAHESHWARI**  
Head – Alternate Channels

Ms. Paridhi Maheshwari, an MBA graduate from London Business School, is passionate about establishing solid and well-defined systems and processes within the company. She is also responsible for pioneering the Company's product portfolio of consumer products marketed through the Company's global sales network.

# MANAGEMENT DISCUSSION & ANALYSIS - FY24

## INDUSTRY STRUCTURE AND DEVELOPMENT

### INDIA PHARMACEUTICAL SECTOR

In the calendar year 2023, the Indian pharmaceutical sector demonstrated substantial performance in production, innovation, and exports, achieving significant milestones while navigating various challenges.

Innovation was a key focus and a commitment that the Indian pharmaceutical sector upholds with significant advancements across the pharma value chain. The sector saw increased investments in research and development (R&D), driven by government and private sector efforts. The Indian government's Production-Linked Incentive (PLI) scheme, with an outlay of Rs. 15,000 crore (US\$ 2.04 billion), aims to boost manufacturing capacity and promote innovation. The sector's growth was also supported by a collaborative environment between the government and industry stakeholders, fostering an ecosystem conducive to innovation.

### INDIAN PHARMA EXPORTS

Balaxi exports its branded and generic products to Latin

American and African countries. Based on the Pharmexcil data for FY24, the analysis of Indian pharmaceutical and drug exports to various Latin American and African Countries is as follows.

Latin American countries are emerging as a promising market for Indian pharmaceutical exports, showcasing significant growth and potential in recent years. As healthcare systems in these nations continue to evolve and expand, the Indian pharmaceutical sector, with its high-quality, cost-effective products, is playing a pivotal role in meeting the rising demand. This surge is driven by several factors, including increasing healthcare expenditure, the growing prevalence of chronic diseases, and the rising awareness of and access to healthcare services.

India, known for its robust pharmaceutical industry, is well-positioned to meet this demand, offering a diverse range of generic medications and innovative treatments at competitive prices. The sector's potential for growth and collaboration is immense, and strategic partnerships and trade agreements between India and various Latin

American countries have further facilitated the seamless export of pharmaceutical products, contributing to the impressive growth observed.

The data on Indian pharmaceutical exports to Latin American countries for the fiscal years 2022-2023 (FY23) and 2023-2024 (FY24) underscores this upward trajectory. Total exports to the region increased from \$1998.24 million in FY23 to \$2336.73 million in FY24, marking a substantial growth rate of 16.93%. This remarkable increase highlights the region's expanding market and the growing acceptance and reliance on Indian pharmaceutical products.



## ANALYSIS OF INDIAN PHARMA EXPORTS TO LATIN AMERICAN COUNTRIES

Total Exports (in \$ million)

COUNTRY	APR-MAR FY23	APR-MAR FY24	% CHANGE
BRAZIL	642.67	655.57	2.01%
COLOMBIA	158.85	168.22	5.90%
URUGUAY	13.75	14.17	3.04%
PERU	100.06	117.09	17.03%
VENEZUELA	109.08	100.57	-7.81%
BOLIVIA	27.49	23.46	-14.69%
HONDURAS	29.75	35.85	20.47%
CHILE	156.94	208.21	32.67%
NICARAGUA	27.79	31.02	11.61%
MEXICO	293.07	338.51	15.50%
PANAMA REPUBLIC	25.29	20.36	-19.47%
EL SALVADOR	31.83	33.22	4.35%
GUATEMALA	73.16	84.65	15.72%
COSTA RICA	20.85	24.76	18.76%
DOMINICAN REP	67.35	64.75	-3.87%
CUBA	8.20	4.36	-46.82%
PUERTO RICO	24.51	10.43	-57.46%
MARTINIQUE	0.01	0.01	19.23%
ST LUCIA	1.27	1.60	26.38%
ANTIGUA	0.36	0.46	28.78%

Countries such as Martinique, French Guiana, Chile, Guatemala, and the Dominican Republic have exhibited the highest pharma import from India, reflecting the increasing penetration and influence of Indian pharmaceuticals in these markets. This growth not only indicates the current success but also points to the vast potential for future expansion as healthcare needs in Latin America continue to evolve.

## STRATEGIC RESPONSES FROM GOVT AND INDUSTRY

### GOVERNMENT INITIATIVES:

The Indian government continued to support the pharmaceutical sector through initiatives like the Production-Linked Incentive (PLI) scheme, which aims to boost manufacturing capacity and promote exports. These initiatives have helped Indian pharma companies enhance their production capabilities and meet the growing demand in frontier markets. The Government of India is actively promoting pharma exports through various initiatives, including the Pharmaceutical Export Promotion Council (Pharmexcil), which provides support and resources for Indian exporters. To boost exports to Latin American countries, the government is facilitating trade agreements, participating in international trade fairs, and offering incentives to pharmaceutical companies. These efforts aim to enhance India's global pharma footprint and increase market access in Latin America.

### INVESTMENT IN QUALITY CONTROL:

To address quality control issues, Indian pharmaceutical companies have increased investments in adopting Good Manufacturing Practices (GMP) and advanced technologies. Regular audits and training programs have been implemented to ensure compliance with international standards.

### INDIAN PHARMA EXPORTS TO BALAXI'S EXISTING MARKETS:

The table below presents the financial performance data for existing markets where Balaxi Pharmaceuticals Limited has a significant export presence. The data, as reported by Pharmexcil for FY23 and FY24, includes export figures for Guatemala, Dominican Republic, Honduras, El Salvador, Angola, and Central African Republic. These figures highlight the changes in export revenue, showcasing both growth and challenges in these markets over the fiscal year.

Total Exports (in \$ million)

COUNTRY	FY23	FY24	% CHANGE
GUATEMALA	73.16	84.65	15.72
DOMINICAN REPUBLIC	67.35	64.75	-3.87
HONDURAS	29.75	35.85	20.47
EL SALVADOR	31.83	33.22	4.35
ANGOLA	93.01	60.23	-35.25
CENTRAL AFRICAN REPUBLIC	7.81	6.12	-21.63

### INDIAN PHARMA EXPORTS TO BALAXI'S EMERGING MARKETS:

The following table highlights the export performance data for the targeted markets Balaxi Pharmaceuticals Limited aims to expand into. According to Pharmexcil export data, Nicaragua, Chile, and Ecuador have shown substantial growth potential in FY24 compared to FY23. These targeted markets are key to Balaxi's strategic expansion plans, and notable increases in export revenues reflect their growing importance.

Total Exports (in \$ million)

COUNTRY	FY23	FY24	% CHANGE
NICARAGUA	27.79	31.02	11.61
CHILE	156.94	208.21	32.67
ECUADOR	50.68	61.49	21.32

# SWOT ANALYSIS OF THE COMPANY



## STRENGTHS

### Strong foothold in Established Markets:

Balaxi has a strong foothold in the established markets, which provides a competitive advantage over new entrants. Established relationships with local distributors and retailers facilitate smoother operations and market penetration.

### Diversified Product Portfolio:

Balaxi offers a diversified range of pharmaceutical products catering to various therapeutic segments. This diversification helps mitigate risks associated with dependency on a single product line. There are 960 product registrations in eight countries and 700 in the pipeline.

### Cost-Effective Sources:

Access and long-standing relations with WHO GMP manufacturers at multiple global locations ensure a cost-effective, seamless flow of medicines.

### Regulatory Compliance:

The company's adherence to international regulatory standards ensures the quality and safety of its products, building trust and credibility among healthcare professionals and consumers.

### Strengthening the value chain:

Balaxi is strengthening its value chain by integrating product diversity, partnering with WHO GMP-approved manufacturers, and enhancing regulatory affairs management. Its recent foray into manufacturing further boosts its capabilities, ensuring efficient supply chain management and the delivery of high-quality products to customers.

## WEAKNESSES

### Logistical Challenges:

Latin America's infrastructural inefficiencies can lead to delays and increased costs in transportation and distribution, affecting the timely availability of products.

**Dependency on Key Markets:**

Heavy reliance on specific countries within Latin America could expose Balaxi to regional economic downturns and political instability, affecting overall business performance.

**Regulatory Hurdles:**

Navigating the complex regulatory environments of different Latin American countries can be resource-intensive and time-consuming.

**OPPORTUNITIES****Market Expansion:**

Expanding into untapped markets within Latin America and leveraging existing distribution networks to reach new customer segments presents opportunities.

**Product Innovation:**

Investing in more and more new product registrations and own manufacturing can meet the evolving healthcare needs of the Latin American population and capture greater market share.

**Strategic Partnerships:**

Forming strategic alliances with local healthcare providers, governments, and other stakeholders can enhance market access and operational efficiency.

**Rising Healthcare Expenditure:**

Increasing healthcare expenditures in Latin America provide opportunities for growth, as more resources are allocated to improving healthcare infrastructure and access to medicines.

**THREATS****Political and Economic Instability:**

Political upheavals and economic instability in key Latin American markets can disrupt business operations and affect profitability.

**Regulatory Changes:**

Changes in regulatory policies and compliance requirements can introduce uncertainties and potential delays in product approvals.

**Competition:**

Intense competition from international pharmaceutical companies can lead to pricing pressures and reduced market share.

**Supply Chain Disruptions:**

Balaxi's dependence on a global supply chain makes it vulnerable to disruptions caused by geopolitical tensions, natural disasters, or pandemics.

## KEY DEVELOPMENTS IN OUR MARKETS – ANGOLA

Recent currency fluctuations have significantly impacted Angola's economy, including pharmaceutical imports from India. The steep depreciation of the Angolan kwanza in 2023, driven by the end of the debt moratorium and a weakened oil sector, has led to increased inflation, which stood at around 20% by the end of 2023. This devaluation has made imports, including pharmaceuticals, more expensive, straining Angola's purchasing power and economic stability.

The devaluation of the kwanza, coupled with cuts in fuel subsidies, has raised the cost of living, leading to higher inflation

and reduced consumer spending power. This has particularly impacted sectors reliant on imports, such as pharmaceuticals. The increased import costs due to the weaker currency have made Indian pharmaceutical products more expensive in Angola, potentially reducing the volume of imports and affecting the overall trade balance.

Moreover, the Angolan government's focus on repaying external debt and implementing fiscal austerity measures has limited public expenditure in other areas, further complicating the situation for import-dependent sectors. Despite these challenges, there is a concerted effort to

stabilise the economy through structural reforms and improved fiscal management, which could eventually help mitigate the adverse effects of currency fluctuations.

The currency fluctuations have posed significant challenges to Angola's economy, affecting its ability to import pharmaceuticals from India efficiently. However, ongoing economic reforms and potential improvements in oil production might offer some relief shortly.

## KEY DEVELOPMENTS IN OUR MARKETS – GUATEMALA & DR

In 2023 and early 2024, pharmaceutical imports to Guatemala and the Dominican Republic were significantly impacted by political upheavals. In Guatemala, the political instability disrupted the import process. Widespread protests demanding political reforms further hindered the logistics and regulatory processes essential for pharmaceutical imports. Similarly, in the Dominican Republic, geopolitical tensions influenced domestic politics, complicating the environment for pharmaceutical imports and affecting the healthcare sector. These factors collectively created an unstable environment, complicating the logistics and regulatory processes essential for pharmaceutical imports, thus impacting the healthcare sector in both countries.





# REVIEW OF FINANCIAL PERFORMANCE - FY24

## REVENUE FROM OPERATIONS:

During FY24, the Company recorded a revenue from operations of Rs. 24,129.44 Lakhs as against Rs. 33,643.27 Lakhs in the Previous Financial Year.

## OTHER INCOME:

During the Financial Year 2023-24, the Company recorded other income of Rs. (264.65) Lakhs as against Rs. 263.69 Lakhs in the Previous Financial Year.

## TOTAL INCOME:

The total income, including revenue from operations and other income for the Financial Year 2023-24 was Rs. 23,864.79 Lakhs as against Rs. 33,906.96 Lakhs in the Previous Financial Year.

## TOTAL EXPENDITURE:

Total Expenditure for the Financial Year 2023-24 was Rs. 19,833.92 Lakhs as against Rs. 28,214.73 Lakhs in the Previous Financial Year. Further, for Financial Year 2023-24, Cost of Material Consumed stood at Rs. 12,867.98 Lakhs as against Rs. 20,241.56 Lakhs in the Previous Financial Year.

## TAX EXPENSES:

The company's tax expense, including current tax and deferred tax, was Rs. 440.23 Lakhs in FY24 from Rs. 1,095.98 Lakhs in FY23.

## PROFIT AFTER TAX (PAT):

PAT for the period decreased to Rs. (238.70) Lakhs in FY24 from Rs. 4,596.25 Lakhs in FY23.

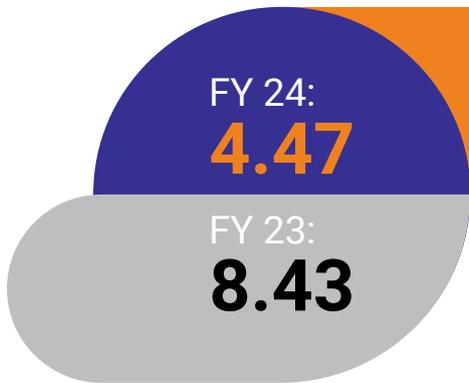
## EARNINGS PER SHARE (EPS):

Basic EPS decreased to Rs. (2.32) in FY24 from Rs. 45.81 in FY23. Diluted EPS decreased to Rs. (2.31) in FY24 from Rs. 45.40 in FY23.

## PROFIT BEFORE TAX (PBT):

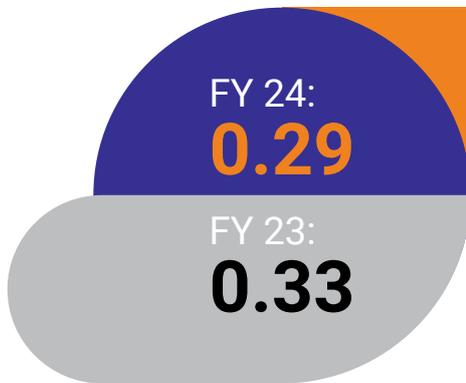
During the year under review, PBT was Rs. 201.53 Lakhs as against Rs. 5,692.23 Lakhs in the Previous Financial Year.

# RATIOS



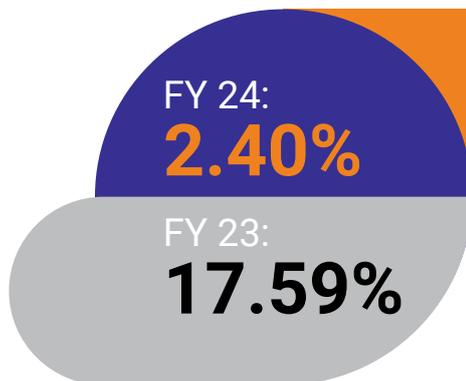
## Debtors Turnover Ratio:

Due to decreased total revenue and consistent trade receivables management.



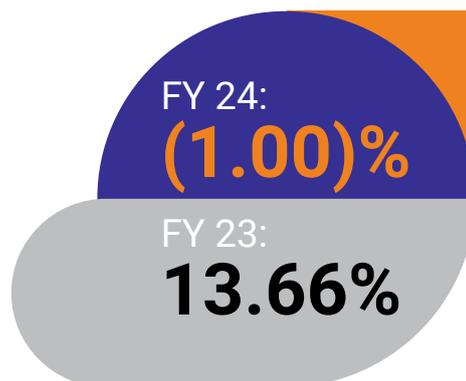
## Debt Equity Ratio:

There is a slight increase due to additional lease liabilities and borrowing.



## Operating Profit Margin (%):

Significant decrease due to lower revenue and higher relative expenses.



## Net Profit Margin (%):

Decrease due to negative net profit in FY24.

### Return On Net Worth, Net of Goodwill (%):

Decrease due to negative net profit and consistent net worth.

FY 24:  
**(1.25)%**

FY 23:  
**29.15%**

### Inventory Turnover Ratio:

Decrease in inventory turnover due to lower cost of material consumed.

FY 24:  
**1.37**

FY 23:  
**1.99**

### Interest Coverage Ratio:

Significant decrease due to lower earnings before interest and taxes (EBIT) and higher finance costs.

FY 24:  
**1.20**

FY 23:  
**114.84**

### Current Ratio:

Decrease in current ratio due to lower current assets compared to current liabilities.

FY 24:  
**3.88**

FY 23:  
**3.64**

## INTERNAL CONTROLS

An esteemed external agency is conducting an audit of Balaxi Pharmaceuticals Limited's internal controls. This comprehensive evaluation ensures an impartial and independent assessment of the effectiveness and adequacy of the company's internal control systems in achieving optimal operational outcomes. The primary objectives of these controls are to safeguard and protect the company's assets from unauthorised use or disposition, maintain accurate accounting records, and verify the authenticity of all transactions.

Balaxi Pharmaceuticals Limited has implemented an efficient compliance management system that promptly issues preventive warnings in the event of any violations. The company's independent Audit Committee and/or Board of Directors regularly review its performance to ensure alignment with overall corporate policies and predetermined objectives. Internal auditing services are provided Shiva Ramakrishna & Associates who play a crucial role in facilitating smooth risk management operations, raising awareness of risks across businesses and corporate functions, developing formal reporting and monitoring processes, and creating maintenance plans to keep risk management information up to date. They have also implemented an Enterprise Risk Management (ERM) framework in key business areas and corporate functions, aligning risk management with the business plan.

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## MARKET RESEARCH

Market research plays a vital role as a catalyst for Balaxi Pharmaceuticals Limited, enabling the development and global marketing of differentiated generic and speciality products. The company utilises best-in-class technologies to support its Market Research capabilities, enabling the cost-effective delivery of products worldwide. Proactive investments are made to build a robust global pipeline of generics, over-the-counter drugs, and speciality products. With a team of intellectual property experts, the company focuses on sourcing products in various dosage forms, including injectables, orals, liquids, ointments, gels, and sprays. Given the highly competitive nature of frontier markets, Balaxi Pharmaceuticals Limited adopts a pragmatic approach to identify future projects.

## PEOPLE - THE CORE OF OUR STRENGTH

Balaxi Pharmaceuticals Limited strives to provide its employees with a congenial work environment that encourages a balanced, healthy, and safe lifestyle. The company offers growth opportunities, rewards merit, and recognises employee achievements. Training programs are available to enhance employees' skills and promote inclusive growth and knowledge sharing. The company continues to upgrade its HR processes and institutionalise them to create a value system and behavioural skills necessary for achieving short and long-term goals. As of March 31, 2024, Balaxi Pharmaceuticals Limited had over 600 employees on a consolidated basis and continues to attract exceptional talent from within and outside India to further its business interests. The company maintains cordial industrial relations.



## INFORMATION TECHNOLOGY

Balaxi Pharmaceuticals Limited is making substantial investments in its digital reinvention platform. The company aims to automate as many business processes as possible to enhance efficiency and accuracy. A comprehensive framework has been developed to leverage the opportunities presented by new-age digital technologies, transforming the company into a digitally proficient pharmaceutical organisation. Several technologies and platforms have been piloted to provide partners and clients a seamless and integrated experience. The company prioritises data analytics for agile decision-making, business process automation, innovation through digital business models, and consumer engagement to identify, reach, and engage with customers. Analytics and automation form the core of the company's business strategy. Digital consumer engagement is being increased to improve automation in manufacturing plants year after year.

## CAUTIONARY STATEMENTS

The Management Discussion and Analysis statements provided by Balaxi Pharmaceuticals Limited may contain "forward-looking statements" within the scope of applicable securities laws and regulations. Actual results may differ from expressed or implied projections, estimates, and expectations. Various factors can influence the company's operations, such as economic conditions affecting demand and supply, price fluctuations in domestic and overseas markets, changes in government regulations and tax laws, and other incidental factors.

# RISK & RISK MANAGEMENT

RISK	RISK PROBABILITY	RISK IMPACT	MITIGATION
Regulatory Compliance and Market Access	Moderate	High	Balaxi Pharma maintains a dedicated team to stay updated with the evolving regulatory landscape in frontier markets. The team ensures strict adherence to local regulations and streamlines the registration process for new products. Building strong relationships and leveraging local expertise help mitigate potential delays or hurdles in obtaining necessary approvals. Additionally, the company conducts thorough market research and engages in proactive market access strategies for navigating the complexities of each market and ensuring timely entry.
Supply Chain Disruptions	Low to Moderate	Moderate to High	Balaxi has established strong relationships with its outsourcing partners and regularly assesses their capabilities and compliance with quality standards. Diversifying sourcing options and maintaining backup suppliers help mitigate the risk of disruptions caused by unforeseen events such as natural disasters, regulatory issues, or production delays. Robust inventory management systems and maintaining buffer stocks also ensure continuity of supply even during unexpected disruptions. The company actively monitors global supply chain trends and adjusts procurement strategies accordingly.
Competitive Market Dynamics	High	Moderate to High	The company continuously monitors market trends, competitor activities, and changing customer demands to stay ahead in the competitive landscape. Building strong brand recognition through effective marketing aids in capturing market share. Balaxi collaborates with healthcare professionals, distributors, and key opinion leaders to stay abreast of market trends and to anticipate shifts in the competitive environment.

RISK	RISK PROBABILITY	RISK IMPACT	MITIGATION
Geopolitical and Economic Factors	Moderate to High	Moderate to High	Balaxi Pharma closely monitors geopolitical and economic factors that can impact its operations in frontier markets. Diversifying its market presence across multiple countries and regions mitigates the risk of reliance on a single market. Comprehensive risk assessments and scenario planning enable proactive responses to potential disruptions, allowing Balaxi to adapt business strategies accordingly. The company's commitment to monitoring, diversifying, and proactive risk management ensures its continued success in a dynamic global landscape.
Currency Fluctuation	High	High	Balaxi Pharma is highly vigilant about currency fluctuations, especially in markets with volatile economic conditions. Regular financial reviews and adjustments to pricing strategies help mitigate the impact of currency devaluation on the company's profitability. The finance team continuously monitors foreign exchange rates and advises on proactive measures to manage financial exposure.
Political Risks	Moderate to High	High	Political instability in some frontier markets where Balaxi operates can pose significant risks. The company actively engages with local stakeholders, including governments and regulatory bodies, to understand and navigate the political landscape. Contingency plans are in place to respond to political unrest, including diversifying market presence to avoid over-reliance on politically unstable regions. Continuous assessment of the political climate and strategic partnerships with local entities help mitigate the impact of political risks on the company's operations.

# Corporate Information

**CIN:** L25191TG1942PLC121598

## **BOARD OF DIRECTORS:**

Mr. Ashish Maheshwari  
(Managing Director)  
Mrs. Minoshi Maheshwari  
(Non – Executive Director)  
Mr. Kunal Mahendra Bhakta  
(Independent Director)  
Mr. Gandhi Gamji  
(Independent Director)  
Mr. Mangina Srinivas Rao  
(Independent Director)  
Mrs. Purnima Singh Kamble  
(Independent Director)\*\*\*

## **BOARD COMMITTEES:**

### **AUDIT COMMITTEE:**

Mr. Kunal Mahendra Bhakta  
(Chairman)  
Mr. Gandhi Gamji (Member)  
Mr. Maniga Srinivas Rao (Member)  
Mr. Ashish Maheshwari (Member)

### **NOMINATION AND REMUNERATION COMMITTEE:**

Mr. Kunal Mahendra Bhakta (Chairman)  
Mr. Gandhi Gamji (Member)  
Mrs. Minoshi Maheshwari (Member)

### **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Mr. Kunal Mahendra Bhakta (Chairman)  
Mr. Gandhi Gamji (Member)  
Mrs. Minoshi Maheshwari (Member)

### **RISK MANAGEMENT COMMITTEE:**

Mr. Ashish Maheshwari (Chairman)  
Mr. Gandhi Gamji (Member)  
Mr. Amol Mantri (Member)

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Mrs. Minoshi Maheshwari  
(Chairperson)  
Mr. Ashish Maheshwari (Member)  
Mr. Gandhi Gamji (Member)

## **KEY MANAGERIAL PERSONNEL:**

Mr. Ashish Maheshwari  
(Managing Director)  
Mr. Amol Mantri  
(Chief Financial Officer)  
Mr. Pranav Maheshwari  
(Senior Vice President – Business Development)  
Mr. Udayan Shukla  
(Company Secretary and Compliance Officer)\*  
Mr. Mahesh Inani  
(Company Secretary and Compliance Officer)\*\*

## **STATUTORY AUDITORS:**

M/s P. Murali & Co.,  
Chartered Accountants  
6-3-255/2/3, Somajiguda,  
Hyderabad-500 082.

## **INTERNAL AUDITORS:**

M/s Siva Ramkrishna & Associates,  
Chartered Accountants  
Door No-2-108/2, Gorantla,  
Guntur- 522034 , Andhra Pradesh.

## **SECRETARIAL AUDITORS:**

BVR & Associates Company  
Secretaries LLP  
"Swastika", First Floor Chitteth House,  
P C Road Vytilla P. O., Cochin-682 019.

## **BANKERS:**

Kotak Mahindra Bank Limited  
HDFC Bank Limited  
Yes Bank Limited  
State Bank of India

## **REGISTERED OFFICE:**

Plot No. 409, H. No. 8-2-293,  
Maps Towers, 3rd Floor, Phase III,  
Road No. 81, Jubilee Hills,  
Hyderabad (T.G.)-500 096  
Phone: +91 40 23555300  
Email: info@balaxi.in  
Website: www.balaxipharma.in

## **SUBSIDIARIES (INCLUDING STEP-DOWN SUBSIDIARIES):**

Balaxi Global DMCC, Dubai.  
Balaxi Healthcare Ecuador.  
Balaxi Healthcare Guatemala, S.A,  
Republic of Guatemala  
Balaxi Healthcare Dominicana, S.R.L,  
Dominican Republic  
Balaxi Healthcare Honduras, S. DE R.L.  
DE C.V, Honduras  
Balaxi Healthcare Centrafrique, SARL,  
Centrafrique  
Balaxi Healthcare El Salvador S.A DE.,  
El Salvador  
Balaxi Healthcare Angola, Republic of  
Angola

## **REGISTRAR AND SHARE TRANSFER AGENT:**

Aarthi Consultants Private Limited  
1-2-285, Domalguda,  
Hyderabad-500 029.  
Phone: 040 27638111  
Email: info@aarthicconsultants.com  
Website: www.aarthicconsultants.com

\* Mr. Udayan Shulka has resigned w.e.f May 4, 2024

\*\* Mr. Mahesh Inani has been appointed w.e.f May 29, 2024

\*\*\* Mrs. Purnima Singh Kamble has resigned w.e.f May 08,2024.

# Board's Report

## Dear Members,

The Board of Directors are pleased to submit its report on the performance of the Company along with the audited standalone and consolidated financial statements for the financial year ended March 31, 2024.

### 1. FINANCIAL HIGHLIGHTS AND PERFORMANCE:

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	7,019.60	10813.76	24,129.44	33643.27
Other Income	239.86	660.41	(264.65)	263.69
Total Income	<b>7,259.46</b>	<b>11474.17</b>	<b>23,864.79</b>	<b>33906.96</b>
Operating expenditure	6,495.99	9131.68	19,456	27989.48
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense (EBITDA)	<b>763.49</b>	<b>2342.49</b>	<b>4408.79</b>	<b>5917.47</b>
Less: Depreciation	(51.06)	(51.54)	(209.84)	(175.25)
Less: Finance Costs	(154.12)	(45.90)	(167.71)	(50.00)
Profit /loss before Tax Expense (PBT)	<b>558.31</b>	<b>2245.05</b>	<b>4,030.87</b>	<b>5692.23</b>
Less: Tax Expense (Current & Deferred)	(193.28)	(622.84)	(440.23)	(1095.98)
Profit After Tax (PAT)	<b>365.03</b>	<b>1622.21</b>	<b>(238.70)</b>	<b>4596.25</b>
Basic EPS (₹)	3.55	16.17	(2.32)	45.81
Diluted EPS (₹)	3.54	16.02	(2.31)	45.40

### 2. STATE OF COMPANY'S AFFAIRS:

#### Consolidated:

During the period under review the Company recorded a Total revenue from operations of ₹ 23,864.79 Lakhs as against ₹ 33,906.96 Lakhs in the previous financial year. Profit before tax (PBT) stood at ₹ 4,030.87 Lakhs as against ₹ 5,692.23 Lakhs in the previous financial year. Profit after tax (PAT) decreased to ₹ (238.70) lakhs as against ₹ 4,596.25 Lakhs in the previous financial year.

#### Standalone:

During the period under review the Company recorded a Total revenue from operations of ₹ 7,019.60 Lakhs as against ₹ 10,813.76 Lakhs in the previous financial year. Profit before tax (PBT) stood at ₹ 558.31 Lakhs as against ₹ 2,245.05 Lakhs in the previous financial year. Similarly, Profit after tax (PAT) stood at ₹ 365.03 lakhs as against ₹ 1,622.21 Lakhs in the previous financial year.

### 3. DIVIDEND:

The Board of Directors of the Company after considering factors such as elongated working capital cycle and capex requirement, have not recommended any dividend for the financial year ended March 31, 2024.

The Company has formulated a Dividend Distribution Policy in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Dividend Distribution Policy can be accessed from the Investor section of the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/Dividend\\_Distribution\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Dividend_Distribution_Policy.pdf).

### 4. TRANSFER TO RESERVES:

During the year under review, no transfer is proposed to any reserves and accordingly, the entire balance available in the statement of profit and loss is retained in it.

### 5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended March 31, 2024 and the date of this Board's Report.

### 6. PREFERENTIAL ISSUE:

During the year under review, out of total 10,70,000 (Ten Lakhs Seventy Thousand) Convertible Warrants

issued at an issue price of ₹ 451/- (Rupees Four Hundred and Fifty-One only) each per Warrant a total of 7,16,500 warrants were converted in to shares.

The amount raised by preferential issue will be used by the Company to meet the capital expenditure requirements to support the construction of the Company's first pharmaceutical formulation plant, being set up at Jadcherla, Hyderabad. Further, it may be utilized to meet working capital requirements and general corporate purposes and may also be utilized to undertake any additional business activities under the main objects clause of the Memorandum of Association of the Company.

During the period under review, there has been no deviation or variation in the utilization of the proceeds of the preferential issue.

## 7. SHARE CAPITAL:

The paid-up share capital of the Company as on March 31, 2024, was ₹ 10,89,77,500/- (Rupees Ten Crore Seventy-Four lakhs seventy-two thousand and five hundred only) divided into 1,08,97,750 (One Crore eight lakhs ninety seven thousand seven fifty only) equity shares of ₹ 10/- each.

Further, several warrant holders to whom the warrants were allotted by the Company had applied for conversion of warrants into equity shares. Consequently, the Board of Directors vide circular resolutions passed on May 09, 2023, January 25, 2024, February 23, 2024 and March 15, 2024, have allotted 48,950/-, 1,04,050/-, 4,13,000/- and 1,50,500/- Equity Shares respectively at an issue price of ₹ 451/- each i.e., of the face value of ₹ 10/- each and at a premium of ₹ 441/- each per equity share to the warrant holders who had applied for conversion of their warrants.

## 8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

### i. Balaxi Global DMCC, Dubai- Subsidiary Company

Your Company has two wholly owned subsidiary, Balaxi Global DMCC in Dubai, United Arab Emirates ("UAE") and Balaxi healthcare Ecuador-S.A.S. The Subsidiary Balaxi Global DMCC was incorporated with a focus to carry out the international distribution business of the Company. The main objects of the subsidiary Company are in line with the main objects of the parent Company.

The Subsidiary, Balaxi Global DMCC further have six wholly owned subsidiaries:

- (a) Balaxi Healthcare Guatemala, S.A, Republic of Guatemala
- (b) Balaxi Healthcare Dominican, S.R.L, Dominican Republic

- (c) Balaxi Healthcare Honduras, S. DE R.L. DE C.V, Honduras
- (d) Balaxi Healthcare Centrafrique, SARL, Centrafrique
- (e) Balaxi Healthcare El Salvador S.A DE., El Salvador
- (f) Balaxi Healthcare Angola, Republic of Angola

The above-mentioned Companies are step down subsidiaries of your Company, these step-down subsidiaries work as an extended arm for the Company by managing the local operations and distribution in our existing markets of Africa and Latin America.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014, a statement containing the salient features of financial statements of the Subsidiaries in Form No. AOC-1 is attached as **Annexure- A** to this report. The statement also provides details of the performance and the financial position of the subsidiaries.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company including the consolidated financial statements along with relevant documents are available on Investor section of the website of the Company at <https://balaxipharma.in/financial-results>. Copies of the financial statements of the subsidiary companies are also available on the Company's website at <https://balaxipharma.in/subsidiaries-financial-statements>.

### ii. Associate Company/ Joint Venture

During the year under review, the Company does not have any associates or Joint ventures.

During the year under review no Company has ceased to be Company's Subsidiary/ Joint Venture/ Associate.

## 9. CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements for the financial year ended March 31, 2024, are prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 and other relevant provisions of the Act.

As per the provisions of Section 136 of the Act, the Company has placed separate audited accounts of its subsidiaries on its website at <https://balaxipharma.in/subsidiaries-financial-statements> and a copy of separate audited financial statements of its subsidiaries will be provided to shareholders upon their request.

**10. CHANGE IN THE NATURE OF BUSINESS:**

There have been no changes in the nature of the business of the Company during the year under review.

**11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on March 31, 2024, The Board consists of 6 (six) Directors, with an optimum mix of 4 (four) Independent Directors, 1 (one) Executive Director and 1 (one) Non-Executive Director. The Board consists of 2 (two) Woman Directors, 1 (one) of whom is an Independent Director.

**i. Appointments and Resignations during the year under review:****Directors:**

- During the year under review there were no changes in the directors of the company. , Mrs .Purnima Singh Kamble with effect from May 08<sup>th</sup> ,2024 has tendered her resignation from the board of the company and board of the directors took note of the same and appreciated Mrs. Purnima Singh Kamble for her valuable suggestions and inputs.

Except the above, there were no changes in the Board of Directors of the Company.

**Key Managerial Personnel:**

- Mr. Udayan Shukla, resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. close of business hours on May 04, 2024. The Board placed on record its sincere appreciation for the contribution made by him during his tenure.
- Mr. Mahesh Inani has been appointed as the company secretary of the company with effect from May 29, 2024.

Except the above, there were no changes in the Key Managerial Personnel of the Company.

**ii. Re-appointments proposed at the AGM:**

- In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Minoshi Maheshwari (DIN: 01575975), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends her re-appointment as a Director, liable to retire by rotation.

**12. MEETINGS OF THE BOARD OF DIRECTORS:**

During the year under review, The Board of Directors

of the Company met 5 (Five) times on May 29, 2023, August 03, 2023, November 02, 2023, February 09, 2024, and February 28, 2024. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act. The details of the meetings are provided in the Corporate Governance Report, which forms a part of this annual report.

**13. COMMITTEES OF THE BOARD:**

As on March 31, 2024, pursuant to the requirement under the Act and the Listing Regulations, the Board of Directors had the following Committees:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders' Relationship Committee;
- iv. Corporate Social Responsibility Committee and
- v. Risk Management Committee.

As on March 31, 2024, the Audit Committee comprises of Mr. Kunal Bhakta, Chairman, Mr. Gandhi Gamji, Member, Mr. Maniga Srinivasa Rao, Member and Mr. Ashish Maheshwari, Member.

The composition, terms of reference of the Committees and number of meetings held during the year are provided in the Corporate Governance Report, which forms a part of this annual report.

During the year, all the recommendations made by the Board Committees, including the Audit Committee, were accepted by the Board.

**14. MEETING OF INDEPENDENT DIRECTORS:**

Meeting of the Independent Directors without the presence of Non- Independent Directors and members of Management was duly held on February 26, 2024, where the Independent Directors inter alia evaluated the performance of Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of Chairperson of the Board and assessed the quality, quantity and timeliness of the flow of information between the Management of the Company and the Board of Directors.

**15. DECLARATION BY INDEPENDENT DIRECTORS:**

All Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. Based on the declarations submitted by the Independent Directors, Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.

Independent Directors have also confirmed of having complied with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, by including/ registering their names

in the data bank of Independent Directors maintained with Indian Institute of Corporate Affairs.

In the opinion of the Board, all the Independent Directors have the integrity, expertise and experience, including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

#### 16. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

All Directors including Independent Directors go through a structured orientation/ familiarization programme to make them familiar with their roles, rights and responsibilities in the Company at the time of appointment and also on a recurrent basis. The details of various programmes undertaken for familiarizing the Independent Directors are available on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/FAMILIARIZATION\\_PROGRAMME\\_TO\\_INDEPENDENT\\_DIRECTORS\\_.pdf](https://balaxipharma.in/assets/images/corporatepolicies/FAMILIARIZATION_PROGRAMME_TO_INDEPENDENT_DIRECTORS_.pdf).

#### 17. BOARD EVALUATION:

Pursuant to the provisions of the Act and the Listing Regulations, Company has put in place a criteria for annual evaluation of performance of Chairperson, Individual Directors (Independent & Non – Independent), Board Level Committees and the Board as a whole.

Board evaluated the effectiveness of its functioning and that of Committees and of Individual Directors by seeking their inputs on various aspects of Board/ Committee Governance. Aspects covered in the evaluation included criteria of corporate governance practices, role played by the Board in decision making, evaluating strategic proposals, discussing annual budgets, assessing adequacy of internal controls, review of risk Management procedures, participation in the long-term strategic planning, the fulfilment of Directors' obligations and fiduciary responsibilities and active participation at Board and Committee meetings. Performance evaluation was made on the basis of structured questionnaire considering the indicative criteria as prescribed by the Evaluation Policy of the Company. The evaluation policy can be accessed on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/Board\\_Evaluation\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Board_Evaluation_Policy.pdf).

In a separate meeting of the Independent Directors, the performance of the Non-Independent Directors, the Board as a whole and Chairman of the Board were evaluated.

#### 18. INVESTOR EDUCATION PROTECTION FUND (IEPF):

In terms of the provisions of Section 125 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the amount that remained unclaimed for a period of seven years is required to be

transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review there no amount of unpaid dividend and shares which were transferred to the IEPF.

#### Details of Nodal Officer:

The details of the Nodal Officer appointed under the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, are given below and the same is disseminated on the website of the Company.

Name of the Nodal Officer	Mr. Mahesh Inani ( w.e.f May 29,204)
Designation	Company Secretary and Compliance Officer
Address and Contact Number	Address: Plot No. 409, H. No. 8-2-293, Maps Towers, 3 <sup>rd</sup> Floor, Phase - III, Road No. 81, Jubilee Hills, Hyderabad (T.G.) – 500 096. Contact Number: +91 40 23555300
Email ID	secretarial@balaxi.in

#### 19. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Act, it is hereby confirmed that the Directors have:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- iii. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. prepared the annual accounts on a going concern basis.
- v. laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. AUDIT AND AUDITORS:

### i. Statutory Auditors and their report

The Members of the Company, at the 80<sup>th</sup> Annual General Meeting ("AGM") of the Company held on August 25, 2023, had approved the appointment of M/s P. Murali & Co., Chartered Accountants (Firm registration number: 007257S), as Statutory Auditors of the Company, to hold office from the conclusion of 80<sup>th</sup> AGM till the conclusion of the ensuing 85<sup>th</sup> AGM.

The Auditors Report for the Financial Year ended March 31, 2024, does not contain any qualification, reservation, adverse remark or disclaimer. The report is enclosed with the financial statements in this Annual Report.

### ii. Secretarial Auditors and their report

Section 204 of the Act, inter-alia, requires every listed Company to annex to its Board's report, a Secretarial Audit Report, given in the prescribed form, by a Company Secretary in Practice.

The Board of Directors had appointed BVR & Associates Company Secretaries LLP as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2024 and their report in Form MR-3 is annexed to this Report as **Annexure B**. There are no qualifications, reservations, adverse remarks or disclaimer in the said report.

### iii. Internal Auditors

M/s PCN & Associates, Chartered Accountants, Hyderabad, internal auditors of the company had resigned with effect from October 26, 2023. The company has appointed M/s Siva Ramakrishna & Associates, Chartered accountants, Hyderabad with the effect from November 2, 2023 as the internal auditors for the F.Y 2023-24. The idea behind conducting Internal Audit is to examine that the company is carrying out its operations effectively and performing the processes, procedures and functions as per the prescribed norms. The Internal Auditors reviewed the adequacy and efficiency of the key internal controls guided by the Audit Committee.

## 21. PARTICULARS OF EMPLOYEES:

Information required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure C** to this report.

Information required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also provided in **Annexure C** to this report.

## 22. REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors or the Internal Auditors have reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

## 23. NOMINATION AND REMUNERATION POLICY:

Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with an objective of having a Board with diverse backgrounds and experience. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner. Policy on appointment and removal of Directors can be accessed at the weblink [https://balaxipharma.in/assets/images/corporatepolicies/POLICY\\_ON\\_Director\\_APPOINTMENT.pdf](https://balaxipharma.in/assets/images/corporatepolicies/POLICY_ON_Director_APPOINTMENT.pdf).

Based on the recommendations of Nomination and Remuneration Committee, Board approved the Remuneration Policy for Directors, Key Managerial Personnel (KMP) and all other employees of Company. As part of the policy, Company strives to ensure that:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to Directors, KMP and senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of Company and its goals.

The salient features of this policy are:

- This Policy sets out the guiding principles for the Human Resources and Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.
- It lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Non-Executive Directors.
- It lays down the parameters based on which remuneration (including fixed salary, benefits and perquisites, commission, retirement benefits) should be given to Whole-time Directors, KMPs and rest of the employees.

The Remuneration Policy for Directors, KMP and other employees can be accessed at the weblink [https://balaxipharma.in/assets/images/corporatepolicies/Remuneration\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Remuneration_Policy.pdf).

#### 24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy for Vigil Mechanism for Directors and Employees to report to the Management instances of unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee. No person has been denied access to the Audit Committee.

During the year under review, the Company has not received any instances of genuine concerns from Directors or employees under this mechanism. The Company has also hosted the Whistle Blower Policy on the website of the Company and can be accessed at the weblink [https://balaxipharma.in/assets/images/corporatepolicies/BPL\\_WHISTLE\\_BLOWER\\_POLICY.pdf](https://balaxipharma.in/assets/images/corporatepolicies/BPL_WHISTLE_BLOWER_POLICY.pdf).

#### 25. POLICY ON MATERIAL SUBSIDIARIES:

The Board of Directors of the Company has, in accordance with the Listing Regulations, approved and

adopted a Policy for determining material subsidiaries and the said policy as uploaded on the website of the Company can be accessed at the weblink: [https://balaxipharma.in/assets/images/corporatepolicies/03-POLICY\\_ON\\_MATERIAL\\_SUBSIDIARY.pdf](https://balaxipharma.in/assets/images/corporatepolicies/03-POLICY_ON_MATERIAL_SUBSIDIARY.pdf).

#### 26. CORPORATE SOCIAL RESPONSIBILITY:

Your Company has always discharged its social responsibility as a part of its Corporate Governance philosophy. We are ethically and socially motivated and have always contributed towards the development of the society at large. For us, business priorities co-exist with social commitments to drive holistic development of people and communities. We seek to touch and transform people's lives by promoting healthcare, education and sustainability.

The Corporate Social Responsibility Committee ("CSR Committee") constituted by the Board of Directors has formulated a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company. The CSR Committee monitors the CSR Policy and recommends the amount of expenditure to be incurred towards CSR activities. CSR Committee has met once during the year under review on May 29,2023.

The CSR Committee comprises of the following directors:

S No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mrs. Minoshi Maheshwari	Chairperson	Non - Executive and Promoter
2.	Mr. Ashish Maheshwari	Member	Executive and Promoter
3.	Mr. Gandhi Gamji	Member	Non-Executive and Independent

During the year under review, there were no substantive changes in the Policy except to align the Policy with amendments made in the Act and the policy is available on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/CSR\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/CSR_Policy.pdf).

As per the provisions of Section 135 of the Act and the Rules made thereunder, the Company was required to spend ₹ 41.83 Lakhs for the financial year 2023-24, i.e., at least 2% of the average net profits of the Company made during the three immediately preceding financial years. The Company, however, spent an amount of ₹ 11.00 Lakhs towards CSR activities during the financial year 2023-24. The unspent amount of ₹ 30.83 Lakhs relates to an ongoing project and has been transferred to a separate bank account titled 'Balaxi Pharmaceuticals Ltd UCSR FY 2023-24'. The amount transferred will be spent within the time limits specified in the Act and the Rules made thereunder.

The brief outline of the CSR Policy of the Company, initiatives undertaken by the Company on CSR activities during the year under review and details regarding CSR Committee are set out in **Annexure D** of this report as "Annual Report on CSR Activities".

#### 27. RISK MANAGEMENT POLICY:

The Company has developed and implemented a Risk Management policy detailing risks associated with its business, process of identification of elements of risks, monitoring and mitigation of these risks. The Management of the Company with the help of inhouse team and internal auditor, identifies the risks. Risks are generally associated with the areas of new products, information security, digitization etc. The Company had taken adequate checks and balances to eliminate and minimize the risk through the robust implementation of ERP (SAP) system. The Risk Management Policy of the Company may be accessed at the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/Risk\\_Management\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Risk_Management_Policy.pdf).

**28. INTERNAL FINANCIAL CONTROLS:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Company's Chief Financial Officer has overall responsibility for the Management of the Company, including the design, implementation, and monitoring of internal control. Internal controls are implemented by individuals throughout the Company, and it is important that competent, well-trained individuals are involved in the design and oversight of the controls. Audit Committee reviews the adequacy and effectiveness of internal control system and monitors the implementation of audit recommendations.

The Company has implemented adequate procedures and internal control systems which provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements. The Company is operating in a fully computerized environment and maintains all its records in ERP (SAP) System and the workflow, approvals are completely routed through ERP(SAP).

The Company has appointed Internal Auditors to examine the internal controls and verify whether the workflow of the organization is in accordance with the approved policies of the Company. Internal Financial Controls were reviewed by the Audit Committee. Further, the Board also reviews effectiveness of the Company's internal control system and the Statutory Auditors of the Company also carried out audit of Internal Financial Controls over Financial Reporting of the Company as on March 31, 2024 and issued their report which forms part of the Independent Auditor's report.

**29. DEPOSITS:**

During the period under review, the Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and accordingly no amount on account of principal or interest on public deposits was outstanding as on March 31, 2024.

**30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Particulars of loans given, guarantees provided and investments made by the Company during the financial year ended March 31, 2024, as required under the provisions of Section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014, are disclosed in the notes to Financial Statements which may be read as a part of this Report.

**31. REVISION MADE IN FINANCIAL STATEMENTS/ BOARD'S REPORT:**

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding financial years.

**32. CODE OF CONDUCT:**

In compliance with Regulation 17(5) of the Listing Regulations, the Board of Directors have framed and adopted Code of Conduct ("the Code") for Directors and Senior Management of the Company. The Code provides guidance on ethical conduct of business and compliance of law. The Code is available on the Company's website at [https://balaxipharma.in/assets/images/corporatepolicies/Code\\_of\\_Conduct\\_for\\_Board\\_members\\_and\\_the\\_Senior\\_Management.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Code_of_Conduct_for_Board_members_and_the_Senior_Management.pdf).

All Members of the Board and Senior Management personnel have affirmed the compliance with the Code as on March 31, 2024. A declaration to this effect, signed by the Managing Director in terms of the Listing Regulations, is given in the Corporate Governance Report forming part of this Annual Report.

**33. ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2024 is available on the website of the Company in the Miscellaneous section at <https://balaxipharma.in/investor-annual-report>.

**34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented in a separate section and forms part of this Annual Report.

**35. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts, arrangements and transactions entered by the Company with related parties during the financial year 2023-24 were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any transaction, contract or arrangement with related parties, which could be considered material, in accordance with the Company's Policy on dealing with Related Party Transactions ("RPT Policy"). Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

During the year under review, all related party transactions entered into by the Company were approved by the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and are repetitive in nature.

As required under the Indian Accounting Standards, related party transactions are disclosed in Notes to the Company's financial statements for the financial year ended March 31, 2024.

In accordance with the requirements of the Listing Regulations, the Company has adopted a Policy on Materiality of Related Party Transactions and the same has been placed on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/02-POLICY\\_ON\\_RELATED\\_PARTY\\_TRANSACTIONS.pdf](https://balaxipharma.in/assets/images/corporatepolicies/02-POLICY_ON_RELATED_PARTY_TRANSACTIONS.pdf).

### **36. CORPORATE GOVERNANCE:**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements. The Corporate Governance Report, as required under Regulation 34 read with Schedule V of the Listing Regulations, forms part of this Annual Report.

The Practicing Company Secretary's Certificate confirming compliance with Corporate Governance norms is attached to the Corporate Governance Report.

Further, as required under Regulation 17(8) of the Listing Regulations, a certificate from the Managing Director and CFO is also attached to the Corporate Governance Report.

### **37. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:**

The Business Responsibility & Sustainability Report ("BRSR") of the Company for the Financial year ended March 31, 2024 forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

### **38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith and forms part of this Report as **Annexure E**.

### **39. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Company has zero tolerance towards sexual harassment at the workplace. Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints

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

During the year under review, the Company has not received any Complaint of sexual harassment.

### **40. LISTING STATUS:**

The Company's equity shares are listed on National Stock Exchange of India Limited ("NSE"). The Company has paid the listing fees to NSE and the Annual Custody Fee to National Securities Depository Limited and Central Depository Services (India) Limited for the financial year ended March 31, 2024.

### **41. PREVENTION OF INSIDER TRADING AND CODE OF FAIR DISCLOSURE:**

The Board has formulated a code of internal procedures and conduct to regulate, monitor and report trading by Insiders. This code lays down guidelines, procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company in the Investor section at [https://balaxipharma.in/assets/images/corporatepolicies/BPL\\_PIT\\_Code\\_of\\_Conduct.pdf](https://balaxipharma.in/assets/images/corporatepolicies/BPL_PIT_Code_of_Conduct.pdf).

Further, the Board has also formulated code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The copy of the same is available on the website of the Company in the Investor section at [https://balaxipharma.in/assets/images/corporatepolicies/Code\\_of\\_Practices\\_And\\_Procedures\\_For\\_Disclosure\\_of\\_UPSI.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Code_of_Practices_And_Procedures_For_Disclosure_of_UPSI.pdf).

### **42. OTHER DISCLOSURES:**

- i. The Company does not have any Employee Stock Option Scheme & Employee Stock Purchase Scheme for its Employees/ Directors.
- ii. The Company has not issued sweat equity shares and shares with differential rights as to dividend, voting or otherwise.
- iii. The shareholders by the way of postal ballot on April 18, 2024 have approved the subdivision of the face value of equity shares of the company from ₹ 10 to ₹ 2 /- each fully paid up.
- iv. The Company has complied with Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, issued by the Institute of Company Secretaries of India.

- v. There were no significant or material orders passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.
- vi. The Company is not required to make and maintain such accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act read with the Companies (Accounts) Rules, 2014.
- vii. Pursuant to Section 197 (14) of the Act, the Managing Director of the Company did not receive any remuneration or commission from its subsidiaries/ holding company.
- viii. There are no applications made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- ix. The Company has not entered into one time settlement with any Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

#### 43. ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation for the continued co-operation and support extended to the Company by government authorities, customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, legal advisors, consultants, business associates, members and other stakeholders during the year. The Directors also convey their appreciation to employees at all levels for their contribution, dedicated services and confidence in the management.

#### For and on behalf of the Board of Directors,

**Mr. Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Mrs. Minoshi Maheshwari**  
(Director)  
DIN: 01575975

Date: May 29, 2024  
Place: Hyderabad

# Annexure - A

## 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 or associate companies or joint ventures

### Part A: Subsidiaries

Amount (INR in Lakhs)

S.No.	Particulars	Details
1	Name of the Subsidiary	Balaxi Global DMCC, Dubai*
2	The date since when subsidiary was acquired	September 04, 2019
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency: USD Exchange Rate as on last date of the relevant financial year: 83.35
5	Share Capital	2,165.43
6	Reserves & Surplus	8,659.40
7	Total Assets	20,904.41
8	Total Liabilities	10,079.58
9	Investments#	-
10	Turnover	24,017.57
11	Profit/ (Loss) before Taxation	(1,423.57)
12	Provision for taxation	245.81
13	Profit/ (Loss) after Taxation	(1,669.38)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%

# Investments other than in subsidiary companies

\*Represents details as per consolidated financial statements of Balaxi Global DMCC which includes the financial statements of its subsidiaries Balaxi Healthcare Guatemala, S.A, Balaxi Healthcare Dominica, S.R.L, Balaxi Healthcare Honduras, S. DE R.L. DE C.V, Balaxi Healthcare Centrafrique, SARL, Balaxi Healthcare El Salvador, S.A DE and Balaxi Healthcare Angola.

Note: 1. Names of subsidiaries which are yet to commence operations: Nil

Note: 2. There are no subsidiaries which are liquidated or sold during the year.

### Part B: Associates and Joint Ventures

Part B of AOC-1 is not applicable to the Company as the Company has no Associates/ Joint Ventures and there are no Associates/ Joint Ventures that have been liquidated or sold during the year.

#### For and on behalf of the Board of Directors

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Minoshi Maheshwari**  
(Director)  
DIN: 01575975

**Amol Mantri**  
(Chief Financial Officer)

**Mahesh Inani**  
(Company Secretary and Compliance Officer)  
Membership No.: A37577

Place: Hyderabad  
Date: May 29, 2024

# Annexure - B

## FORM NO: MR 3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

### **BALAXI PHARMACEUTICALS LIMITED**

Plot No.409, H. No. 8-2-293, Maps Towers  
3<sup>rd</sup> Floor, Phase-III, Road No.81, Jubilee Hills  
Hyderabad Telangana - 500096

We, BVR & Associates Company Secretaries LLP have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Balaxi Pharmaceuticals Limited (CIN: L25191TG1942PLC121598). 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.

We would like to state that we have not physically verified the records of the Company for the purpose of secretarial audit and have instead placed our reliance solely on the contents of electronically signed / scanned copies of the records, documents, papers, information, confirmation, etc.; provided to us over e-mail by the Company, its officers and authorized representatives.

Based on our limited verification of Balaxi Pharmaceuticals Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We herewith report that maintenance of proper and updated Books, Papers, Minute 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 produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check 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 March 31, 2024, as per the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
    - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and
    - (f) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - v. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the rules made thereunder;
  - vi. Employees' State Insurance Act, 1948 and the rules made thereunder; vii. Drugs and Cosmetics Act, 1940 and the Regulations framed thereunder;
  - viii. Foreign Trade Policy
  - ix. RBI-Master Direction – Export of Goods and Services
- We have also examined compliance with the applicable clauses of the following:-
- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with National Stock Exchange(s).

Based on the aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the Act/s, Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have not found material observation or instance of non-compliance in respect of the same.

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. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were duly sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company filed following E-form with MCA for the Financial Year under Review:-

SI No	Date of filing	SRN	Form
1	24/04/2023	F60677168	FORM MSME-1
2	10/05/2023	AA2389877	FORM PAS-3
3	03/06/2023	F61703138	FORM BEN-2
4	03/06/2023	F61707170	FORM BEN-2
5	12/06/2023	AA2821438	FORM MGT-14
6	17/06/2023	AA2955457	FORM DPT-3
7	16/08/2023	AA4177376	FORM MGT-14
8	29/08/2023	F63631550	FORM MGT-15
9	29/08/2023	F63619712	FORM ADT-1
10	31/08/2023	AA4491626	FORM MGT-14
11	15/09/2023	F64389919	FORM AOC-4 XBRL
12	21/09/2023	F64765498	FORM MGT-7

SI No	Date of filing	SRN	Form
13	09/10/2023	F66474743	FORM IEPF-2
14	19/10/2023	F69497121	FORM MSME-1
15	07/11/2023	AA6106212	FORM MGT-14
16	23/11/2023	F82843806	FORM CSR-2
17	01/12/2023	AA6268843	FORM CHG-4
18	31/01/2024	AA6733220	FORM PAS-3
19	27/02/2024	AA6940244	FORM PAS-3
20	06/03/2024	F93123594	FORM BEN-2
21	07/03/2024	F93144889	FORM BEN-2
22	07/03/2024	F93144483	FORM BEN-2
23	07/03/2024	F93146306	FPRM BEN-2
24	20/03/2024	AA7117488	FORM PAS-3

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

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

#### **CS YOGINDUNATH S**

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

Membership Number: F7865

Certificate of Practice No: 9137

UDIN: :F007865F000388014

PEER REVIEW NUMBER: P2010KE020500

Place: Cochin

Date: 17-05-2024

## ANNEXURE A

To,  
The Members,

### **BALAXI PHARMACEUTICALS LIMITED**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. 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.

### **CS YOGINDUNATH S**

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

Membership Number: F7865

Certificate of Practice No: 9137

UDIN: :F007865F000388014

PEER REVIEW NUMBER: P2010KE020500

Place: Cochin

Date: 17/05/2024

# Annexure - C

Disclosure in Board's Report as per provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**I Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Particulars	Name of Director	Designation	Ratio
1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	Mr. Ashish Maheshwari	Managing Director	20.83
		Mrs. Minoshi Maheshwari	Director	6.31
		Mr. Kunal Mahendra Bhakta	Independent Director	6.31
		Mr. Gandhi Gamji	Independent Director	3.79
		Mr. Mangina Srinivas Rao	Independent Director	6.31
		Mrs. Purnima Singh Kamble	Independent Director	6.31
		Note: Independent Directors are only paid sitting fees for attending meetings of the Board.		

**2 The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name and Designation of Director/ KMP	Percentage (%) increase in remuneration in the financial year
Mr. Ashish Maheshwari, Managing Director	Nil
Mrs. Minoshi Maheshwari, Director	Nil
Mr. Kunal Mahendra Bhakta, Independent Director	Nil
Mr. Gandhi Gamji, Independent Director	Nil
Mr. Mangina Srinivas Rao, Independent Director	Nil
Mrs. Purnima Singh Kamble, Independent Director	Nil
Mr. Pranav Maheshwari, Senior Vice President - Business Development	0.00
Mr. Amol Mantri, Chief Financial Officer	Not Applicable^
Mr. Udayan Shukla, Company Secretary and Compliance Officer	Nil*
Note: ^Mr. Amol Mantri, Chief Financial Officer is drawing remuneration from Balaxi Global DMCC, Wholly Owned Subsidiary of the Company.	
*Mr. Udayan Shukla was appointed as Company Secretary and Compliance Officer of the Company with effect from November 05, 2022. Hence, his remuneration is not comparable.	
<b>3 The percentage (%) increase in the median remuneration of employees in the financial year:</b>	-5.66
<b>4 The number of permanent employees on the rolls of Company:</b>	47

Name and Designation of Director/ KMP	Percentage (%) increase in remuneration in the financial year
<b>5</b> 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 percentile increase/Decrease in the salaries of employees other than the Managerial Personnel was (16.09)% whereas was no increase in remuneration of Managerial Personnel.
<b>6</b> Affirmation that the remuneration is as per the remuneration policy of the Company:	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.

**For & on behalf of the Board of Directors**

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Minoshi Maheshwari**  
(Chairperson of CSR Committee)  
DIN: 01575975

Place: Hyderabad  
Date: May 29, 2024

# Annexure - D

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

### 1. Brief outline on CSR Policy of the Company:

Balaxi Pharmaceuticals Limited ("Balaxi") always strives for creating a warm space in the society by contributing its profit share towards the social cause of betterment of society. Balaxi discerns that social responsibility allows the Company's business interests to reunite with the admissible interests of the different stakeholders that may be affected, and also assumes the impact of the company's activities on the community in general and the environment.

In accordance with the requirements under the Companies Act, 2013, Balaxi's CSR Activities, amongst others, will focus on:

- HUNGER, POVERTY, MALNUTRITION AND HEALTH: Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation including contribution to Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- EDUCATION: Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects.
- GENDER EQUALITY AND EMPOWERMENT OF WOMEN: Promoting gender equality and empowering women; setting up homes, hostels and day care centres and such other facilities for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- ENVIRONMENTAL SUSTAINABILITY: Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- NATIONAL HERITAGE, ART AND CULTURE: Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
- BENEFIT OF ARMED FORCES VETERANS: Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- PROMOTION OF SPORTS: Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- CONTRIBUTION TO RELIEF FUNDS: Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, the scheduled tribes, other backward classes, minorities and women.
- CONTRIBUTION TO RESEARCH: Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government.
- CONTRIBUTION TO UNIVERSITIES: Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- RURAL DEVELOPMENT PROJECTS: Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.

- SLUM AREA DEVELOPMENT: Developing slum areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods.

For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- DISASTER MANAGEMENT: Disaster management, including relief, rehabilitation and reconstruction activities.

## 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Minoshi Maheshwari	Director, Chairperson of CSR Committee	1	1
2.	Mr. Ashish Maheshwari	Managing Director, Member of CSR Committee	1	1
3.	Mr. Gandhi Gamji	Independent Director, Member of CSR Committee	1	1

## 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:

Particulars	Web-Link
Weblink for Composition of CSR Committee	<a href="https://balaxipharma.in/board-committees">https://balaxipharma.in/board-committees</a>
Weblink for CSR Policy	<a href="https://balaxipharma.in/assets/images/corporatepolicies/CSR_Policy.pdf">https://balaxipharma.in/assets/images/corporatepolicies/CSR_Policy.pdf</a>
Weblink for CSR Projects approved by the Board	<a href="https://balaxipharma.in/corporate-social-responsibility">https://balaxipharma.in/corporate-social-responsibility</a>

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable.

## 5. (Amount in ₹)

(a) Average net profit of the company as per sub-section (5) of section 135.	20,91,52,652/-
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	41,83,053/-
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
(d) Amount required to be set-off for the financial year, if any.	Nil
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	41,83,053/-

## 6. (Amount in ₹)

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	11,00,000/-
(b) Amount spent in Administrative Overheads.	Nil
(c) Amount spent on Impact Assessment, if applicable.	Nil
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	11,00,000/-

### (e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
11,00,000/-	30,83,053/-	April 26, 2024	Not Applicable	Nil	Not Applicable

**(f) Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (In ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	41,83,053/-
(ii)	Total amount spent for the Financial Year	11,00,000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

**7. Details of Unspent CSR amount for the preceding three financial years:**

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (In ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (In ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (In ₹)	Deficiency, if any
1	2020-2021	NIL	NIL	NIL	NIL	NIL	NIL
2	2021-2022	NIL	NIL	NIL	NIL	NIL	NIL
3	2022-2023	23,50,053	23,50,053	23,50,053	NIL	NIL	NIL

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address

Not Applicable

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:**

The unspent amount of Rs. 30,83,053/-/- (Rupees Thirty Lakhs eighty three thousand and Fifty Three only) is allocated towards an ongoing project of construction of Sri Saraswathi Vidya Mandir School at Kandikal Gate, Hyderabad. The unspent amount has been transferred to unspent CSR Account and it will be spent within the time limits specified in the Companies Act, 2013 and the rules made thereunder.

**For & on behalf of the Board of Directors**

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Minoshi Maheshwari**  
(Chairperson of CSR Committee)  
DIN: 01575975

Place: Hyderabad  
Date: May 29, 2024

# Annexure - E

## PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. Conservation of Energy:

The steps taken or impact on conservation of energy	Being an International Wholesale Distribution Company, we are not involved in any manufacturing activities and therefore, the Company's activities involve very low energy consumption.
The steps taken by the Company for utilizing alternate sources of energy	However, efforts are taken to conserve energy to the best possible extent. The employees are disciplined on saving energy. Lighting at the offices of the Company have been upgraded with LED Lights.
The Capital investment on energy conservation equipment	Nil

### B. Technology Absorption:

The efforts made towards technology absorption	During the year, the Company has successfully implemented an in-house regulatory management software which has enabled digitalization of regulatory operations such as product registrations to ensure end-to-end management of regulatory function and data security. The complete product registration process is monitored at every stage through this software.
The benefits derived like product improvement, cost reduction, product development or import substitution	The in-house regulatory management software has streamlined the process of product registrations and has also helped in achieving operational excellence.
Imported technology	Nil
Expenditure incurred on Research & Development	Nil

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

(₹. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Expenditure/ Outflow	187.80	398.14
Earnings/ Inflow	6,480.53	8,023.89

#### For & on behalf of the Board of Directors

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Minoshi Maheshwari**  
(Director)  
DIN: 01575975

Place: Hyderabad  
Date: May 29, 2024

# Corporate Governance Report

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, and the report contains the details of Corporate Governance systems and processes of the Company:

## 1. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY:

The Company believes that good corporate governance emerges from the application of the best and sound Management practices and compliance with highest standards of transparency and business ethics. These practices are continuously followed by the Company and the same has immensely contributed to its sustained growth. Efforts are being channelized into reimagining the current practices and processes to inspire dynamic business environment that the Company resides in. The Governance system followed by the Company over the years has enhanced the value of stakeholders.

Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. We are committed to defining, following and practicing the highest level of corporate governance across all our business functions.

## 2. BOARD OF DIRECTORS:

### a. Composition and Category of Directors:

The present composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations and Section 149 and Section 152 of the Companies Act, 2013 ("the Act"). The Board of Directors (the 'Board') of the Company have an optimum combination of Executive and Non-Executive Directors, with more than half of the Board comprising of Independent Directors.

As on March 31, 2024, strength of the Board of the Company consists of six Directors, of which one is an Executive Director, one is a Non-Executive Director and four are Non-Executive Independent Directors. The Company has two Women Directors out of which one is an Independent Director. The Board periodically reviews its composition to ensure compliance with the regulatory requirements and it is closely aligned with the strategic and long-term goals of the Company.

As on March 31, 2024, the Board of Directors of the Company comprises of the following directors:

S. No.	Name of the Director	Designation	Category
1.	Mr. Ashish Maheshwari	Managing Director	Executive and Promoter
2.	Mrs. Minoshi Maheshwari	Director	Non - Executive and Promoter
3.	Mr. Kunal Mahendra Bhakta	Independent Director	Non-Executive and Independent
4.	Mr. Gandhi Gamji	Independent Director	Non-Executive and Independent
5.	Mr. Mangina Srinivas Rao	Independent Director	Non-Executive and Independent
6.	Mrs. Purnima Singh Kamble*	Independent Director	Non-Executive and Independent

\* Resigned w.e.f May 08,2024.

### b. Attendance of each Director at the meeting of Board of Directors and last Annual General Meeting:

During the year under review, The Board of Directors of the Company met 5 (Five) times on May 29, 2023, August 03, 2023, November 02, 2023, February 09, 2024, and February 28, 2024. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act and Listing Regulations. Last Annual General Meeting of Members of the Company was held on August 25, 2023.

Details of attendance of Directors at the meetings of the Board of Directors held during the year and the last annual general meeting are given below:

S. No.	Name of the Director	Attendance at Board Meetings		Attendance at the last Annual General Meeting held on August 25, 2023
		Number of Board Meetings held/ eligible to attend	Number of Board Meetings attended	
1.	Mr. Ashish Maheshwari	5	5	Yes
2.	Mrs. Minoshi Maheshwari	5	5	Yes
3.	Mr. Kunal Mahendra Bhakta	5	5	Yes
4.	Mr. Gandhi Gamji	5	3	No
5.	Mr. Mangina Srinivas Rao	5	5	Yes
6.	Mrs. Purnima Singh Kamble	5	5	No

During the year under review, Meeting of the Independent Directors without the presence of Non- Independent Directors and members of Management was duly held on February 26, 2024, where the Independent Directors inter alia evaluated the performance of Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of Chairperson of the Board and assessed the quality, quantity and timeliness of the flow of information between the Management of the Company and the Board of Directors.

**c. Number of other Boards or Committees in which a director is a member or chairperson and names of listed entities where a person is a Director:**

S. No.	Name of the Director	Number of other Directorships*		Number of other Committee Membership/ Chairmanship**		Names of the listed entities in which Directorship is held (Category of Directorship)
		Public Companies	Private Companies	Membership	Chairmanship	
1.	Mr. Ashish Maheshwari	-	2	-	-	-
2.	Mrs. Minoshi Maheshwari	-	2	-	-	-
3.	Mr. Kunal Mahendra Bhakta	-	1	-	-	-
4.	Mr. Gandhi Gamji	-	1	-	-	-
5.	Mr. Mangina Srinivas Rao	5	-	4	-	a) Droneacharya Aerial Innovations Limited (Non – Executive, Independent) b) Total Transport Systems Limited (Non – Executive, Independent) c) EFC (I) Limited (Non – Executive, Independent) d) Sumuka Agro Industries Limited
6.	Mrs. Purnima Singh Kamble	-	-	-	-	-

\*Excludes foreign companies.

\*\*Only Membership/ Chairmanship in Audit Committee(s) and Stakeholders Relationship Committee(s) of listed and unlisted public companies are considered.

The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and the Listing Regulations.

**d. Number of meetings of the Board of Directors held and dates on which held:**

During the year under review, The Board of Directors of the Company met 5 (Five) times on the following dates:

S. No.	Date of Board Meeting	Board Strength	No. of Directors present
1.	May 29, 2023	6	5
2.	August 03, 2023	6	6
3.	November 02, 2023	6	6
4.	February 09, 2024	6	5
5.	February 28, 2024	6	6

**e. Disclosure of relationship between directors inter-se:**

Mrs. Minoshi Maheshwari, Director, is the spouse of Mr. Ashish Maheshwari, Managing Director of the Company.

None of the other Directors are related to each other.

**f. Number of shares and convertible instruments held by non-executive Directors:**

S. No.	Name and Designation of Non - Executive Director	Number of equity shares held in the Company	Number of convertible warrants held in the Company
1.	Mrs. Minoshi Maheshwari, Director	1,05,580	Nil
2.	Mr. Kunal Mahendra Bhakta, Independent Director	2,39,771	50,000
3.	Mr. Gandhi Gamji, Independent Director	Nil	Nil
4.	Mr. Mangina Srinivas Rao, Independent Director	10,000	-
5.	Mrs. Purnima Singh Kamble, Independent Director	Nil	Nil

**g. Details of familiarization programmes imparted to Independent Directors:**

All Directors including Independent Directors go through a structured orientation/ familiarization programme to make them familiar with their roles, rights and responsibilities in the Company at the time of appointment and also on a recurrent basis. The details of various programmes undertaken for familiarizing the Independent Directors are available on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/FAMILIARIZATION\\_PROGRAMME\\_TO\\_INDEPENDENT\\_DIRECTORS\\_.pdf](https://balaxipharma.in/assets/images/corporatepolicies/FAMILIARIZATION_PROGRAMME_TO_INDEPENDENT_DIRECTORS_.pdf).

**h. List of skills, expertise and competencies of the Board of Directors:**

The Company is engaged in the business of International Wholesale Distribution of Pharmaceuticals. To manage the operations and to formulate long term strategies for its growth, different skill sets are required.

The Board comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- International Trade
- Strategy and Transformation
- Sales/ Marketing
- Finance
- Corporate Governance
- Leadership
- Legal/ Regulatory and Risk Management

The table below summarizes the skills, expertise and competencies possessed by the Board of Directors of the Company:

Name of the Director	Skills/ Expertise/ Competencies						
	International Trade	Strategy & Transformation	Sales/ Marketing	Finance	Corporate Governance	Leadership	Legal/ Regulatory and Risk Management
Mr. Ashish Maheshwari	✓	✓	✓	✓	✓	✓	✓
Mrs. Minoshi Maheshwari	✓	✓	✓	-	✓	✓	-
Mr. Kunal Mahendra Bhakta	✓	✓	-	✓	✓	✓	✓
Mr. Gandhi Gamji	✓	✓	✓	-	✓	✓	✓
Mr. Mangina Srinivas Rao	✓	✓	✓	-	✓	✓	-
Mrs. Purnima Singh Kamble*	-	✓	-	✓	✓	✓	✓

\*Resigned with effect from May 08,2024.

**i. Confirmation on Independent Directors:**

All Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. Based on the declarations submitted by the Independent Directors, Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.

Independent Directors have also confirmed of having complied with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, by including/ registering their names in the data bank of Independent Directors maintained with Indian Institute of Corporate Affairs.

None of the Independent Directors have resigned during the Financial Year 2023-24.

\* Mrs. Purnima Singh Kamble – Independent Executive Director resigned w.e.f May 08,2024.

**3. AUDIT COMMITTEE:**

Audit Committee acts as a link between Management and external auditors and is responsible for overseeing Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of audits. The composition and terms of reference of the Audit Committee of the Company are in line with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

**a. Brief description of terms of reference:**

The terms of reference of the Audit Committee, inter alia, include:

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommending to the Board for appointment (including re-appointment and replacement), remuneration and terms of appointment of the Auditors of the Company;
- iii. Approval of payment to Statutory Auditor for any other services rendered by the Statutory Auditor;
- iv. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - 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;

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- e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - vi. 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - viii. Approval or any subsequent modification of transactions of the Company with related parties;
  - ix. Scrutiny of inter-corporate loans and investments;
  - x. Valuation of undertakings or assets of the Company, wherever it is necessary;
  - xi. Evaluation of internal financial controls and risk management systems;
  - xii. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
  - xiii. 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;
- xiv. Discussion with Internal Auditor of any significant findings and follow up there on;
  - xv. Reviewing the findings of any internal investigations by the Internal Auditor 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;
  - xvi. Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - xvii. 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, if any;
  - xviii. Reviewing the functioning of the Whistle Blower Mechanism;
  - xix. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - xx. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
  - xxi. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
  - xxii. Carrying out any other function as may be delegated by the Board from time to time.
- b. Composition, name of members and Chairperson:**
- The Audit Committee of the Board is constituted with 4 (Four) directors comprising of 3 (three) Non - Executive Independent Directors and 1 (one) Executive Director. All members of Audit Committee are financially literate and majority of them have expertise in accounting/financial management.

Composition of the Audit Committee is as follows:

S. No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mr. Kunal Mahendra Bhakta	Chairperson	Non-Executive and Independent
2.	Mr. Gandhi Gamji	Member	Non-Executive and Independent
3.	Mr. Maniga Srinivas Rao*	Member	Non-Executive and Independent
4.	Mr. Ashish Maheshwari	Member	Executive and Promoter

The Company Secretary acts as the Secretary to the Audit Committee. The Chief Financial Officer along with the Statutory Auditors and Internal Auditors are invitees to the said Committee. The Auditors and Senior Management personnel are invited as and when required.

Mr. Kunal Mahendra Bhakta, Independent Director and Chairperson of the Audit Committee was present at the 80<sup>th</sup> Annual General Meeting of the Company held on August 25, 2023.

\*During the year, Mr. Maniga Srinivas Rao became the member of the committee w.e.f

February 01,2024.

**c. Meetings and attendance during the year:**

During the year under review, The Audit Committee of the Company met 4 (Four) times on May 29, 2023, August 03, 2023, November 02, 2023, and February 09, 2024. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings.

Details of attendance of the committee members at the meetings of the Audit Committee held during the year are given below:

S. No.	Name and Designation of Committee Members	Audit Committee Meeting Dates				Number of committee meetings held/ eligible to attend	Number of committee meetings attended
		(1)	(2)	(3)	(4)		
		May 26, 2023	August 03, 2023	November 02, 2023	February 09, 2024		
1.	Mr. Kunal Mahendra Bhakta, Chairperson	✓	✓	✓	✓	4	4
2.	Mr. Gandhi Gamji, Member	✓	✓	✓	LOA	4	3
3.	Mr. Ashish Maheshwari, Member	✓	✓	✓	✓	4	4
4.	Mr. Maniga Srinivas Rao	-	-	-	✓	1	1

✓ Attended LOA – Leave of Absence.

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**4. NOMINATION AND REMUNERATION COMMITTEE:**

The purpose of the Nomination and Remuneration Committee is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment of Directors. The Nomination and Remuneration Committee and the Board periodically reviews the succession planning process of the Company and is satisfied that the Company has adequate process for orderly succession of Board Members and Members of the Senior Management. The composition and terms of reference of the Nomination and Remuneration Committee of the Company are in line with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

**Remuneration Policy:**

The Company has adopted Remuneration Policy for Directors, Key Management Personnel and other employees of the Company and the same is available on Company's website at [https://balaxipharma.in/assets/images/corporatepolicies/Remuneration\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Remuneration_Policy.pdf).

**a. Brief description of terms of reference:**

The terms of reference of the Nomination and Remuneration Committee, inter alia, include:

- i. 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;
- ii. Evaluation of balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of description of role and capabilities required of an Independent Director;
- iii. Formulation of criteria for evaluation of the performance of Independent Directors and the Board of Directors;
- iv. Devising a policy on diversity of the Board of Directors;
- v. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

- vi. considering and recommending to the Board 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;
- vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- viii. Carrying out any other function as may be delegated by the Board from time to time.

**b. Composition, name of members and Chairperson:**

The Nomination and Remuneration Committee of the Board is constituted with 3 (three) non-executive directors, of whom 2 (two) members including the Chairperson of the Committee are Non – Executive Independent Directors.

Composition of the Nomination and Remuneration Committee is as follows:

S. No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mr. Kunal Mahendra Bhakta	Chairperson	Non-Executive and Independent
2.	Mr. Gandhi Gamji	Member	Non-Executive and Independent
3.	Mrs. Minoshi Maheshwari	Member	Non-Executive and Promoter

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

Mr. Kunal Mahendra Bhakta, Independent Director and Chairperson of the Nomination and Remuneration Committee was present at the 80<sup>h</sup> Annual General Meeting of the Company held on August 25, 2023.

During the year, there were no changes to the composition of the Committee.

**c. Meetings and attendance during the year:**

During the year under review, The Nomination and Remuneration Committee of the Company met 1( one) on May 26, 2023. The necessary quorum was present in all the meetings.

Details of attendance of the committee members at the meetings of the Nomination and Remuneration Committee held during the year are given below:

S. No.	Name and Designation of Committee Members	Nomination and Remuneration Committee Meeting Date	Number of committee meetings held/ eligible to attend	Number of committee meetings attended
		May 26, 2023		
1.	Mr. Kunal Mahendra Bhakta, Chairperson	✓	1	1
2.	Mr. Gandhi Gamji, Member	✓	1	1
3.	Mrs. Minoshi Maheshwari, Member	✓	1	1

**d. Performance evaluation criteria for Independent Directors:**

Pursuant to the provisions of the Act and the Listing Regulations, Company has put in place a criteria for annual evaluation of performance of Chairperson, Individual Directors (Independent & Non – Independent), Board Level Committees and the Board as a whole.

During the year under review, Board evaluated the effectiveness of its functioning and that of Committees and of Individual Directors (Independent and Non – Independent) by seeking their inputs on various aspects of Board/ Committee Governance. Performance evaluation was made on the basis of structured questionnaire considering the indicative criteria as prescribed by the Evaluation Policy of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated.

The Independent Directors of the Company are evaluated based on various criteria such as Qualifications, Experience, Knowledge and Competency, Fulfilment of functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity, Independence and Independent views and judgement.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Stakeholders' Relationship Committee of the Company considers and resolves the grievances of our shareholders and warrant holders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends, issue of new/duplicate certificates, general meetings and such other grievances as may be raised by the security holders from time to time.

The Stakeholders' Relationship Committee also reviews:

- i. Measures taken for effective exercise of voting rights by shareholders;
- ii. Service standards adopted by the Company in respect of services rendered by our Registrar & Transfer Agent;
- iii. Measures rendered and initiatives taken for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend/annual report/notices and other information by shareholders.

The composition and terms of reference of the Stakeholders' Relationship Committee of the Company

are in line with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

**a. Name of the non-executive director heading the committee:**

Stakeholders' Relationship Committee is headed by Mr. Kunal Mahendra Bhakta, Non-Executive and Independent Director of the Company.

The Stakeholders' Relationship Committee of the Board is constituted with 3 (three) non-executive directors, of whom 2 (two) members including the Chairperson of the Committee are Non - Executive Independent Directors.

Composition of the Stakeholders' Relationship Committee is as follows:

S. No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mr. Kunal Mahendra Bhakta	Chairperson	Non-Executive and Independent
2.	Mr. Gandhi Gamji	Member	Non-Executive and Independent
3.	Mrs. Minoshi Maheshwari	Member	Non-Executive and Promoter

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

Mr. Kunal Mahendra Bhakta, Independent Director and Chairperson of the Stakeholders' Relationship Committee was present at the 80<sup>th</sup> Annual General Meeting of the Company held on August 25, 2023.

During the year, there were no changes to the composition of the Committee.

During the year under review, The Stakeholders' Relationship Committee of the Company met 1 (one) time on February 09, 2024. All the members of the committee were present except Mr. Gandhi Gamji who has sought leave of absence in that meeting.

**b. Name and designation of the compliance officer:**

**Mr. Udayan Shukla\***

**Company Secretary and Compliance Officer**

Balaxi Pharmaceuticals Limited  
Plot No. 409, H. No. 8-2-293, Maps Towers  
3<sup>rd</sup> Floor, Phase III, Road No. 81, Jubilee Hills,  
Hyderabad (T.G.) – 500 096  
Contact Number: +91 40 23555300  
Email ID: [secretarial@balaxi.in](mailto:secretarial@balaxi.in)

*\*Resigned with effect from May 04,2024*

Mr. Mahesh Inani

Company Secretary and compliance officer appointed with effect from May 29,2024.

**c. Redressal of Investor Grievances:**

Company addresses all the complaints, suggestions and grievances expeditiously.

During the financial year 2023-24, the Company did not receive any complaints from its shareholders or warrant holders and hence, no complaint was pending as on March 31, 2024.

**d. Particulars of Senior Management and changes therein since the close of the previous financial year**

Name	Designation	Changes if any, Since the previous financial year (Yes/No)	Nature of the change and effective date
Mr. Pranav Maheshwari	Senior Vice President-Alternative Channels	NIL	NIL

**6. RISK MANAGEMENT COMMITTEE:**

The Company has constituted a Risk Management Committee for framing, implementing and monitoring the risk management policy of the Company. The Risk Management Committee assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management. The composition and terms of reference of the Risk Management Committee of the Company are in line with the provisions of Regulation 21 of the Listing Regulations.

**a. Brief description of terms of reference:**

The terms of reference of the Risk Management Committee, inter alia, include:

- i. Formulation of 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.
- ii. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - iii. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - v. Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - vi. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
  - vii. Carrying out any other function as may be delegated by the Board from time to time.

**b. Composition, name of members and Chairperson:**

The Risk Management Committee of the Board is constituted with 3 (three) members comprising of 1 (one) Non – Executive Independent Director, 1 (one) Executive Director and 1(one) member of the senior management personnel of the Company.

Composition of the Risk Management Committee is as follows:

S. No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mr. Ashish Maheshwari	Chairperson	Executive and Promoter
2.	Mr. Gandhi Gamji	Member	Non-Executive and Independent
3.	Mr. Amol Mantri	Member	-*

\*Mr. Amol Mantri is Chief Financial Officer of the Company.

The Company Secretary acts as the Secretary to the Risk Management Committee.

During the year, there were no changes to the composition of the Committee.

**c. Meetings and attendance during the year:**

During the year under review, The Risk Management Committee of the Company met 2 (two) times on July 04, 2023 and December 18, 2023. The necessary quorum was present in both the meetings.

Details of attendance of the committee members at the meetings of the Risk Management Committee held during the year are given below:

S. No.	Name and Designation of Committee Members	Risk Management Committee Meeting Dates		Number of committee meetings held/ eligible to attend	Number of committee meetings attended
		(1)	(2)		
		July 04, 2023	December 18, 2023		
1.	Mr. Ashish Maheshwari, Chairperson	✓	✓	2	2
2.	Mr. Gandhi Gamji, Member	✓	✓	2	2
3.	Mr. Amol Mantri, Member	✓	✓	2	2
✓	Attended				

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The purpose of our Corporate Social Responsibility Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility ("CSR") activities and to monitor from time to time the CSR activities and Policy of the Company. The composition and terms of reference of the CSR Committee of the Company are in line with the provisions of Section 135 of the Act.

**a. Brief description of terms of reference:**

The terms of reference of the CSR Committee, inter alia, include:

- i. Formulation and recommendation of the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Act;
- ii. Recommending the amount of expenditure to be incurred on CSR Activities;
- iii. Monitoring the CSR Policy of the Company from time to time;

Composition of the CSR Committee is as follows:

S. No.	Name of Committee Members	Designation in the Committee	Category of Directorship
1.	Mrs. Minoshi Maheshwari	Chairperson	Non - Executive and Promoter
2.	Mr. Ashish Maheshwari	Member	Executive and Promoter
3.	Mr. Gandhi Gamji	Member	Non-Executive and Independent

The Company Secretary acts as the Secretary to the CSR Committee.

During the year, there were no changes to the composition of the Committee.

**c. Meetings and attendance during the year:**

During the year under review, The CSR Committee of the Company met 1 (one) on May 26, 2023. The necessary quorum was present in both the meetings.

Details of attendance of the committee members at the meetings of the CSR Committee held during the year are given below:

All the committee members were present at the meeting.

**8. REMUNERATION OF DIRECTORS:****a. All pecuniary relationship or transactions of the non - executive directors vis-à-vis the Company:**

There were no pecuniary transactions with any of the Non - Executive Directors except for Remuneration/ Sitting Fees/ reimbursement of expenses, if any, paid to them as Directors of the Company.

iv. Formulation and recommendation of the Annual Action Plan in pursuance of CSR Policy of the Company.

v. Carrying out any other function as may be delegated by the Board from time to time.

**b. Composition, name of members and Chairperson:**

The CSR Committee of the Board is constituted with 3 (three) directors comprising of 1 (one) Non - Executive Director, 1 (one) Executive Director and 1(one) Non-Executive Independent Director of the Company.

**b. Criteria of making payments to Non-Executive Directors**

The Board has adopted Remuneration Policy for Directors, Key Managerial Personnel and Other Employees, which describes the criteria of making payments to Non-Executive Directors. The Policy is available on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/Remuneration\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Remuneration_Policy.pdf).

In line with the Company's remuneration policy, Non-Executive Directors are entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and reimbursement of expenses for participation in the Board and committee meetings and commission, if any, as may be determined by the Board of Directors and shareholders on the recommendation of the Nomination and Remuneration Committee within the overall limits specified under the Act/ Listing Regulations.

**c. Disclosures with respect to remuneration:**

The following are the details of remuneration and sitting fee paid to the Directors of the Company during the Financial Year under review:

(Amount in Rs.)

S. No.	Name of the Director	Designation	Salary	Sitting Fee	Benefits, Bonuses, Stock Options, Pensions, etc.
1.	Mr. Ashish Maheshwari	Managing Director	80,00,000/-	2,50,000/-	(a) House Rent Allowance or provision of furnished accommodation. (b) Contribution to provident fund, superannuation fund or annuity fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. (c) Entitled to reimbursement of all actual expenses or charges including travel, entertainment or other out of pocket expenses incurred by him for an on behalf of the Company, in furtherance of its business.
2.	Mrs. Minoshi Maheshwari	Director	-	2,50,000/-	Nil
3.	Mr. Kunal Mahendra Bhakta	Independent Director	-	2,50,000/-	Nil
4.	Mr. Gandhi Gamji	Independent Director	-	1,50,000/-	Nil
5.	Mr. Mangina Srinivas Rao	Independent Director	-	2,50,000/-	Nil
6.	Mrs. Purnima Singh Kamble	Independent Director	-	2,50,000/-	Nil
<b>Total</b>			<b>80,00,000/-</b>	<b>14,00,000/-</b>	

Note:

- Company does not have performance linked incentive plan for directors.
- No severance fee is paid/payable to any of the directors.
- All the directors are entitled to reimbursement of reasonable expenses incurred during the performance of their duty as a director.

#### Service Contract and Notice Period:

Mr. Ashish Maheshwari was appointed as a Managing Director of the Company for a period of five years from May 04, 2017 to May 03, 2022 and re-appointed from May 03, 2022 to May 02, 2027. Notice Period as per Company's Policy is three months.

## 9. GENERAL BODY MEETINGS:

### a. Location and time, where last three annual general meetings held:

The details of location and time, where the last three annual general meetings were held are as follows:

Financial Year	Day, Date and Time of Annual General Meeting ("AGM")	Venue/ Location
2022-23	80 <sup>th</sup> AGM: Wednesday, August 25, 2023 at 11:00 a.m. (IST)	Meeting held through Video Conferencing/ Other Audio Visual Means.
2021-22	79 <sup>th</sup> AGM: Monday, July 11, 2022 at 09:00 a.m. (IST)	Plot No. 409, MAPS Towers, 2 <sup>nd</sup> Floor, Phase – III, Road No. 81, Jubilee Hills, Hyderabad, Telangana – 500096.
2020-21	78 <sup>th</sup> AGM: Wednesday, August 25, 2021 at 11:00 a.m. (IST)	Meeting held through Video Conferencing/ Other Audio Visual Means.

**b. Special resolutions passed in the previous three annual general meetings:**

The details of the special resolutions passed in the previous three annual general meetings are as follows:

Financial Year	Day, Date and Time of Annual General Meeting ("AGM")	Details of Special Resolutions Passed
2022-23	80 <sup>th</sup> AGM: Wednesday, August 25, 2023 at 11:00 a.m. (IST)	1) Re-appointment of Mr. Maniga Srinivas Rao (DIN:08095079) as an independent Director of the company.
2021-22	79 <sup>th</sup> AGM: Monday, July 11, 2022 at 09:00 a.m. (IST)	2) Re-appointment of Mr. Ashish Maheshwari (DIN: 01575984) as the Managing Director of the Company.
2020-21	78 <sup>th</sup> AGM: Wednesday, August 25, 2021 at 11:00 a.m. (IST)	1) Re-appointment of Mr. Gandhi Gamji (DIN: 01944694) as an Independent Director for a second term of five consecutive years. 2) Re-appointment of Mr. Kunal Mahendra Bhakta (DIN: 01710557) as an Independent Director for a second term of five consecutive years.

**c. Special resolutions passed last year through postal ballot – details of voting pattern:**

During the financial year 2023-24, there were no special resolutions passed by the company through postal ballot. However, on February 28, 2024 have issued a notice to the shareholders for seeking approval of the special resolution by the members of the company which is mentioned below:

**S. No. Description of special resolution passed**

- Sub-division/ Split of Equity shares of the company.
- Alteration of Memorandum of Association

The remote e-voting for the above-mentioned resolution commenced on Monday, March 18, 2024 at 09:00 a.m. (IST) and ended on Tuesday, April 16, 2024 at 05:00 p.m. (IST). The shareholders approved the resolution with requisite majority on April 18, 2024.

Details of voting pattern for the above-mentioned resolution is as follows:

**Item No 1: Sub-division of the equity shares of the company.**

Voted in favour of resolution			Voted against the resolution			Invalid votes	
Number of Members voted	Number of valid votes cast	% of total number of valid votes	Number of Members voted	Number of valid votes cast	% of total number of valid votes	Total number of members whose votes were declared invalid	Total number of invalid votes cast
43	81,17,184	100.00	6	57	0.00	1	4,62,500*

\*National Securities Depository Limited ("NSDL") vide its email dated March 15, 2024 has directed the Company to restrict the voting rights of one of the Member i.e. MGC Fund Limited to 50% of its equity AUM in the Company due to non-submission of additional disclosure pursuant to SEBI Circular no. SEBI/HO/AFD/AFD-PoD-2/CIR/ P/ 2023/ 148 dated August 24, 2023.

**Item No 2: Alteration of the memorandum of Associations of the company.**

Voted in favour of resolution			Voted against the resolution			Invalid votes	
Number of Members voted	Number of valid votes cast	% of total number of valid votes	Number of Members voted	Number of valid votes cast	% of total number of valid votes	Total number of members whose votes were declared invalid	Total number of invalid votes cast
41	81,17,178	100.00	8	63	0.00	1	4,62,500*

\*National Securities Depository Limited ("NSDL") vide its email dated March 15, 2024 has directed the Company to restrict the voting rights of one of the Member i.e. MGC Fund Limited to 50% of its equity AUM in the Company due to non-submission of additional disclosure pursuant to SEBI Circular no. SEBI/HO/AFD/AFD-PoD-2/CIR/ P/ 2023/ 148 dated August 24, 2023.

**d. Person who conducted the postal ballot exercise:**

The Board of Directors of the Company appointed Mr. Yogindunath S, Designated Partner of BVR & Associates Company Secretaries LLP as the Scrutinizer to scrutinize the postal ballot by way of remote e-voting in a fair and transparent manner.

**e. Whether any special resolution is proposed to be conducted through postal ballot:**

No special resolution is currently proposed to be conducted through postal ballot.

**f. Procedure for postal ballot:**

The Postal Ballot was carried out as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, each as amended, and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings/ conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 (collectively the "MCA Circulars").

The Company had engaged the services of Central Depository Services (India) Limited ("CDSL") for the purpose of providing remote e-voting facility to its members, enabling them to cast their vote electronically and in a secure manner.

In line with the MCA Circulars, the Company sent the Postal Ballot Notice only in electronic form to those Members whose names appeared in the Register of Members/List of Beneficial Owners as received from the Depositories/ Registrar and Transfer Agents ("RTA") as on Friday, February 03, 2023 ("Cut-Off Date") and whose email addresses were registered with the Company/ RTA/Depositories or who registered their email addresses in accordance with the process outlined in the Postal Ballot Notice.

The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. Ashish Maheshwari, Chairman. The results of the remote e-voting were then announced on April 17, 2024 and

were also made available on the Company's website at [www.balaxipharma.in](http://www.balaxipharma.in) besides being communicated to National Stock Exchange of India Limited and CDSL.

**10. MEANS OF COMMUNICATION:**

**a. Quarterly Results:**

The quarterly, half-yearly and annual financial results of the Company were timely submitted to the stock exchange where the shares of the Company are listed i.e., National Stock Exchange of India Limited and are also placed on the website of the Company at [www.balaxipharma.in](http://www.balaxipharma.in).

**b. Newspapers wherein results normally published:**

Financial Results are published in Business Standard (English Daily) – All Editions and Nava Telangana (Telugu Daily) – Hyderabad Edition in compliance with Regulation 47 of the Listing Regulations.

**c. Details of website and display of official news releases and presentations made to institutional investors or to analysts on the website:**

The Company's website [www.balaxipharma.in](http://www.balaxipharma.in) contains a separate section for investors. The shareholders can access the profile of Board of Directors, Board Committees composition, policies adopted by the Board, Annual Reports, Financial Results, Investor Presentations, Corporate Announcements, Shareholding Pattern, details of unclaimed dividends, Corporate Governance Reports, contact details for investor grievance, etc. on the Company's website.

Press releases/ official news releases and presentations made to institutional investors or analysts, if any, are also regularly updated on the Company's website.

**11. GENERAL SHAREHOLDER INFORMATION:**

**a. Annual General Meeting – date, time and venue:**

The 81<sup>st</sup> Annual General Meeting of the Members of the Company is scheduled to be held on Friday, August 23, 2024 at 11:30 a.m. (IST). The Annual General Meeting will be held through Video Conferencing/ Other Audio-Visual Means.

**b. Financial Year:**

April 1 to March 31

**c. Dividend Payment Date:**

Board of Directors have not recommended any dividend for the financial year ended March 31, 2024.

**d. The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual**

**listing fee to each of such stock exchange(s):**

Equity Shares of the Company are listed on the following stock exchange:

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051, India

The Company has paid the requisite annual listing fee to National Stock Exchange of India Limited.

**e. Stock code:**

The Equity Shares of the Company are traded at National Stock Exchange of India Limited under the stock code/ symbol BALAXI.

**f. Market price data – high, low during each month in last financial year:**

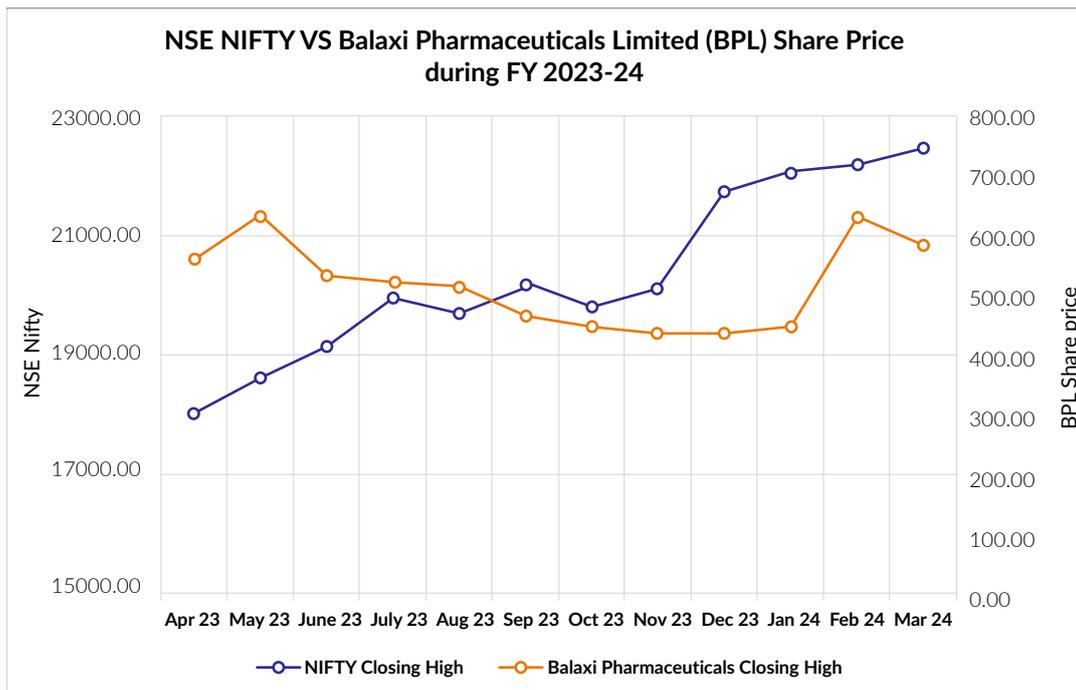
Name of the Stock Exchange where equity shares of the Company are listed:

National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)
April 2023	569.85	522.1
May 2023	665	502.25
June 2023	555	499
July 2023	545	501.05
August 2023	523	441.45
September 2023	484	440.1
October 2023	458	399.95
November 2023	448.9	401.1
December 2023	453.5	404.8
January 2024	455.3	425
February 2024	669.8	426.15
March 2024	619.95	462.4

**g. Performance of share price of the Company in comparison to Nifty 50:**

Month	Closing Price of Equity Shares at NSE (Rs.)	NIFTY 50
April 2023	564.75	18065.00
May 2023	638.60	18633.85
June 2023	541.70	19189.05
July 2023	523.50	19979.15
August 2023	516.75	19733.55
September 2023	470.60	20192.35
October 2023	447.75	19811.50
November 2023	437.25	20133.15
December 2023	443.00	21778.70
January 2024	446.50	22097.45
February 2024	633.70	22217.45
March 2024	589.65	22493.55



**h. Confirmation on no suspension:**

The Equity Shares of the Company were not suspended from trading at any time during the financial year ended March 31, 2024.

**i. Registrar and Share Transfer Agent:**

Aarathi Consultants Private Limited  
Address: 1-2-285, Domalguda,  
Hyderabad – 500 029.  
Phone: 040 27638111  
Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)

**j. Share Transfer System:**

Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are

requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://balaxipharma.in/investor-contacts> and on the website of the Company's RTA at <https://www.aarthiconsultants.com/>. It may be noted that any service request can be processed only after the folio is KYC compliant. In terms of amended Regulation 40 of Listing Regulations, SEBI 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 dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Aarathi Consultants Private Limited, the Registrar and Share Transfer Agents looks after the share transfer system in the Company. Further, the Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Stakeholders' Relationship Committee of the Board.

**k. Distribution of shareholding:**

Distribution of Shareholding of the Company as on March 31, 2024, is as follows:

Category (Shares)	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
1 - 5,000	5006	96.23	214781	2
5,001 - 10,000	82	1.58	62705	0.58
10,001 - 20,000	37	0.71	55741	0.52
20,001 - 30,000	26	0.5	66828	0.62
30,001 - 40,000	6	0.12	22204	0.21
40,001 - 50,000	11	0.21	53437	0.5
50,001- 1,00,000	16	0.31	117131	1.09
1,000,01 and above	18	0.35	10154423	94.48
Total	5202	100	10747250	100.00

**Shareholding Pattern as on March 31, 2024:**

Particulars	No. of Shares	%
Promoters (including Promoter Group)	72,86,354	67.80
Foreign Portfolio Investors – Category I	9,50,342	8.84
Foreign Portfolio Investors – Category II	9,25,000	8.61
Resident Individuals holding nominal share capital up to Rs. 2 Lakhs	4,95,354	4.61
Key Managerial Personnel	1,73,465	1.61
Resident Individuals holding nominal share capital in excess of Rs. 2 Lakhs	2,06,098	1.92
Investor Education and Protection Fund	77,716	0.72
Independent Directors	1,44,771	1.35
Bodies Corporate	4,42,987	4.12
Non-Resident Indians	26,382	0.25
Hindu Undivided Family	16,139	0.15
Banks	2,632	0.02
Clearing Members	10	0.00
<b>Total</b>	<b>1,07,47,250</b>	<b>100.00</b>

**I. Dematerialisation of shares and liquidity:**

The equity shares of the Company are liquid and traded in dematerialised form on National Stock Exchange of India Limited. Equity Shares of the Company are available for trading through both the Depositories in India viz. National Securities Depositories Limited and Central Depository Services (India) Limited. The ISIN allotted to equity shares of the Company is INE618N01014. On May 31, 2024 company has been allocated new ISIN pursuant to split of the face value of the shares from Rs.10 to Rs.2 each. (ISIN: INE618N01022)

The details of number of equity shares of the Company which are in dematerialised and physical form as on March 31, 2024, are given below:

Particulars	Number of equity shares	% of total shares
Shares held in dematerialised form	1,07,13,295	99.69
Shares held in physical form	33,955	0.31
<b>Total</b>	<b>1,07,47,250</b>	<b>100.00</b>

**m. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:**

During the year under review, pursuant to the approval accorded by the members, at their Extraordinary General Meeting held on September 27, 2022 and the In Principle approval received from National Stock Exchange of India Limited, the Board of Directors of the Company, on October 11, 2022, allotted 10,70,000 (Ten Lakhs Seventy Thousand) Convertible Warrants at an issue price of Rs. 451/- (Rupees Four Hundred and Fifty-One only) each per Warrant aggregating up to Rs. 48,25,70,000/- (Rupees Forty-Eight Crores Twenty-Five Lakhs Seventy Thousand only) to certain persons belonging to public category with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten only) each per Warrant. The warrants allotted can be converted into equity shares on or before April 11, 2024 (within a period of eighteen months from the date of allotment of warrants).

Further, several warrant holders to whom the warrants were allotted by the Company had applied for conversion of warrants into equity shares. Consequently, the Board of Directors vide circular resolutions passed on May 09, 2023, January 25, 2024, February 23, 2024 and March 15, 2024, have allotted 48,950/-, 1,04,050/-, 4,13,000/- and 1,50,500/- Equity Shares respectively at an issue price of Rs. 451/- each i.e., of the face value of Rs. 10/- each and at a premium of Rs. 441/- each per equity share to the warrant holders who had applied for conversion of their warrants.

As on March 31, 2024, 1,96,750 (One Lakh ninety- Six Thousand and seven fifty only) convertible warrants were outstanding for conversion into equity shares.

The Shareholding Pattern assuming full conversion of the outstanding convertible warrants is given below:

S. No.	Category of Shareholder	Shareholding as on March 31, 2024		Shareholding assuming full conversion of outstanding warrants	
		Shares held	% of total shares	Shares held	% of total shares
1.	Promoters (including Promoter Group)	72,86,354	67.80	72,86,354	66.58
2.	Public	34,60,896	32.20	36,57,646	33.42
<b>Total</b>		<b>1,07,47,250</b>	<b>100.00</b>	<b>1,09,44,000</b>	<b>100.00</b>

There are no outstanding Global Depository Receipts/ American Depository Receipts/ Any other convertible instrument (except warrants) as on March 31, 2024.

**n. Commodity price risk or foreign exchange risk and hedging activities:**

During the Year ended March 31, 2024, the Company has managed its foreign exchange risk by making necessary arrangements in the working capital cycle and by making suitable agreements with the customers of the Company. Details are provided in the financial statements of the Company.

**o. Plant locations:**

As on March 31, 2024, the Company does not have any manufacturing plant and hence, this clause is not applicable to the Company.

**p. Address for correspondence:**

Company Secretary and Compliance Officer  
Balaxi Pharmaceuticals Limited  
Plot No. 409, H. No. 8-2-293, Maps Towers,  
3<sup>rd</sup> Floor, Phase III, Road No. 81, Jubilee Hills,  
Hyderabad (T.G.) – 500 096.  
Website: [www.balaxipharma.in](http://www.balaxipharma.in)  
Email: [secretarial@balaxi.in](mailto:secretarial@balaxi.in)  
Contact Number: 040 23555300

**q. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year:**

During the financial year ended March 31, 2024, the Company obtained credit ratings from CRISIL Ratings Limited for its bank loan facilities, details of which are given below:

(Rs. in Crores)

Bank Facility	Amount	Rating
Working Capital Facility	30.00	CRISIL BBB+/ Negative
Proposed Long Term Bank Loan Facility*	20.00	CRISIL BBB+/ Negative

\*No long-term bank loan facility was availed by the Company during the year.

**12. OTHER DISCLOSURES:**

**a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

During the year under review, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. All related party transactions entered into by the Company are approved by the Audit Committee and prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and are repetitive in nature.

As required under the Indian Accounting Standards, related party transactions are disclosed in Notes to the Company's financial statements for the financial year ended March 31, 2024.

**b. Details of non-compliance by the listed entity, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:**

There were no instances of non-compliances, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**c. Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:**

The Company has adopted a Whistle Blower Policy for Vigil Mechanism for Directors and Employees to report to the Management instances of unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee. During the year, no person has been denied access to the Audit Committee.

During the year under review, the Company has not received any instances of genuine concerns from Directors or employees under this mechanism. The Company has also hosted the Whistle Blower Policy on the website of the Company and can be accessed at the weblink [https://balaxipharma.in/assets/images/corporatepolicies/BPL\\_WHISTLE\\_BLOWER\\_POLICY.pdf](https://balaxipharma.in/assets/images/corporatepolicies/BPL_WHISTLE_BLOWER_POLICY.pdf).

**d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

As on March 31, 2024, all mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

**Modified Opinion(s) in Audit Report:** The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

**Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee.

**e. Web link where policy for determining 'material' subsidiaries is disclosed:**

The Board of Directors of the Company has, in accordance with the Listing Regulations, approved and adopted a Policy for determining material subsidiaries and the said policy as uploaded on the website of the Company can be accessed at the weblink [https://balaxipharma.in/assets/images/corporatepolicies/03-POLICY\\_ON\\_MATERIAL\\_SUBSIDIARY.pdf](https://balaxipharma.in/assets/images/corporatepolicies/03-POLICY_ON_MATERIAL_SUBSIDIARY.pdf).

**f. Web link where policy for dealing in related party transactions is disclosed:**

In accordance with the requirements of the Listing Regulations, the Company has adopted a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions. The same has been placed on the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/02-POLICY\\_ON\\_RELATED\\_PARTY\\_TRANSACTIONS.pdf](https://balaxipharma.in/assets/images/corporatepolicies/02-POLICY_ON_RELATED_PARTY_TRANSACTIONS.pdf).

**g. Disclosure of commodity price risks and commodity hedging activities:**

The Company does not involve in hedging activities in commodity markets.

Further, as the Company is into the business of International Wholesale Distribution of Pharmaceuticals, the disclosure of commodity price risks is not applicable to the Company.

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations:**

During the year under review, pursuant to the approval accorded by the members, at their Extraordinary General Meeting held on September 27, 2022 and the In Principle approval received from National Stock Exchange of India Limited, the Company has issued the following securities on preferential basis:

- i. 24,500 (Twenty-Four Thousand Five Hundred) Equity Shares at an issue price of Rs. 451/- (Rupees Four Hundred and Fifty-One only) each i.e., of the face value of Rs. 10/- each and at a premium of Rs. 441/- each per Equity Share aggregating to Rs. 1,10,49,500/- (Rupees One Crore Ten Lakhs Forty-Nine Thousand Five Hundred only) to certain persons belonging to public category.

- ii. 10,70,000 (Ten Lakhs Seventy Thousand) Convertible Warrants at an issue price of Rs. 451/- (Rupees Four Hundred and Fifty-One only) each per Warrant aggregating up to Rs. 48,25,70,000/- (Rupees Forty-Eight Crores Twenty-Five Lakhs Seventy Thousand only) to certain persons belonging to public category with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten only) each per Warrant.

The upfront money of 25% of issue price i.e., Rs. 112.75/- per warrant aggregating to Rs. 12,06,42,500/- (Rupees Twelve Crore Six Lakhs Forty-Two Thousand Five Hundred only) was received by the Company on allotment of warrants. The balance money of 75% of the issue price i.e., Rs. 338.25/- per warrant will be paid by the warrant holders on conversion of the warrants.

Further, several warrant holders to whom the warrants were allotted by the Company had applied for conversion of warrants into equity shares. Consequently, the Board of Directors vide circular resolutions passed on May 09, 2023, January 25, 2024, February 23, 2024 and March 15, 2024, have allotted 48,950/-, 1,04,050/-, 4,13,000/- and 1,50,500/- Equity Shares respectively at an issue price of Rs. 451/- each i.e., of the face value of Rs. 10/- each and at a premium of Rs. 441/- each per equity share to the warrant holders who had applied for conversion of their warrants.

The amount raised by preferential issue will be used by the Company to meet the capital expenditure requirements to support the construction of the Company's first pharmaceutical formulation plant, being set up at Jadcherla, Hyderabad. Further, it may be utilized to meet working capital requirements and general corporate purposes and may also be utilized to undertake any additional business activities under the main objects clause of the Memorandum of Association of the Company.

As on March 31, 2024, the details of utilization of funds raised through preferential issue is as follows:

(Amount in Rs.)

Amount Raised during the year	Funds Utilized during the year	Amount of Deviation or variation	Remarks, if any
42,70,68,813/-	3,81,21,278.34/-	Nil	-

During the year under review, there has been no deviation or variation in the utilization of the proceeds of the preferential issue.

- i. a certificate from a company secretary in practice 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 the Board/ Ministry of Corporate Affairs or any such statutory authority:**

A certificate from a Company Secretary in practice confirming that none of the directors are disqualified or debarred from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other authority is provided in **Annexure I** which forms part of this Corporate Governance Report.

- j. Acceptance of recommendations of committees:**

During the financial year 2023-24, the Board of Directors has accepted all the recommendations of the committees of the Board.

- k. 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:**

During the financial year 2023-24, the details of total fees for all services paid by the Company to M/s P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company is given below:

S. No.	Particulars	Amount in Rs.
1.	Fee for Statutory Audit	5,00,000/-
2.	Fee for Certifications and other services	20,000/-
3.	Out of Pocket Expenses	-
	<b>Total</b>	<b>5,20,000/-</b>

*Note: The above fees is exclusive of applicable taxes.*

Further, None of the Subsidiary Companies have availed any services from the statutory auditors of the Company or any of its network firm/ network entity.

- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

- m. Disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

There are no loans and advances given by the Company and its subsidiaries to firms/companies in which directors are interested during the financial year 2023-24.

- n. Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

Wholly Owned Subsidiary of the Company i.e., Balaxi Global DMCC and is a material subsidiary of the Company. Further, Balaxi Global DMCC has six subsidiaries, out of which, Balaxi Healthcare Angola (SU), LDA, Angola, Balaxi Healthcare Dominican, S.R.L, Dominican Republic and Balaxi Healthcare Guatemala, S.A., are material subsidiaries of the Company.

Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditors	Date of Appointment/ Re-appointment
Balaxi Global DMCC	September 04, 2019	Dubai, United Arab Emirates	Al Rammahi Auditing of Accounts, Chartered Accountants, Dubai	January 09, 2024
Balaxi Healthcare Angola (SU), LDA	September 22, 2017	Republic of Angola	Al Rammahi Auditing of Accounts, Chartered Accountants, Dubai	January 09, 2024

Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditors	Date of Appointment/ Re-appointment
Balaxi Healthcare Dominican, S.R.L, Dominican Republic	January 08, 2009	Dominican Republic	Al Rammahi Auditing of Accounts, Chartered Accountants, Dubai	January 09, 2024
Balaxi Healthcare Guatemala, S.A.	September 30, 2017	Guatemala	Al Rammahi Auditing of Accounts, Chartered Accountants, Dubai	January 09, 2024

**o. Web link where Dividend Distribution Policy is disclosed:**

The Company has formulated a Dividend Distribution Policy in accordance with the Listing Regulations. The Dividend Distribution Policy can be accessed from the Investor section of the website of the Company at [https://balaxipharma.in/assets/images/corporatepolicies/Dividend\\_Distribution\\_Policy.pdf](https://balaxipharma.in/assets/images/corporatepolicies/Dividend_Distribution_Policy.pdf).

**13. COMPLIANCE TO REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

The company has duly complied with the requirements of the Corporate Governance Report of Sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

**14. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE LISTING REGULATIONS:**

The following discretionary requirements have been adopted by the Company pursuant to Part E of Schedule II of the Listing Regulations:

**Modified Opinion(s) in Audit Report:** The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

**Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee.

**15. DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:**

The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

**16. DECLARATION REGARDING COMPLIANCE BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT:**

Board of Directors and Senior Management Personnel have affirmed their compliance with the Code of

Conduct for FY 2023-24. A declaration to this effect signed by Mr. Ashish Maheshwari, Managing Director of the Company, is attached as **Annexure II** to this report.

**17. COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:**

The Company has obtained compliance certificate from the Practising Company Secretaries regarding compliance of conditions of corporate governance. The same forms part of this report as **Annexure III**.

**18. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

There are no shares lying in the the demat suspense account or unclaimed suspense account with the Company and hence, the disclosure of reporting in terms of Regulation 34(3) read with Part F of Schedule V of the Listing Regulations is not applicable.

**19. CEO & CFO CERTIFICATION:**

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The same forms part of this report as **Annexure IV**.

**20. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY**

No agreement has been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary Company among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**For and on behalf of the Board of Directors,**

**Mr. Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Mrs. Minoshi Maheshwari**  
(Director)  
DIN: 01575975

**Date:** May 29, 2024  
**Place:** Hyderabad

# Annexure I

## to the Corporate Governance Report

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

**Balaxi Pharmaceuticals Limited**

Plot No. 409, H. No. 8-2-293, Maps Towers,  
3<sup>rd</sup> Floor, Phase – III, Road No. 81, Jubilee Hills,  
Hyderabad (T.G.) – 500096

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Balaxi Pharmaceuticals Limited having Corporate Identification Number: L25191TG1942PLC121598 and having registered office at Plot No. 409, H. No. 8-2-293, Maps Towers, 3<sup>rd</sup> Floor, Phase-III, Road No. 81, Jubilee Hills, Hyderabad, 500096. (hereinafter referred to as 'the Company'), for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the financial year ending 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Director(s) of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility of 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 test check basis 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.

Date: 29/05/2024  
Place: Cochin

**CS Yogindunath S**  
**BVR & Associates Company Secretaries LLP**  
Designated Partner  
M NO: 7865  
CP: 9137  
UDIN: FO07865FO00478280  
PEER REVIEW NUMBER: P2010KE020500

# Annexure II

## to the Corporate Governance Report

### DECLARATION REGARDING COMPLIANCE BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all the members of the Board and senior management personnel of the Company. The Code of Conduct has also been uploaded on the website of the Company at <https://balaxipharma.in/corporate-policies>. It is further confirmed that all the members of the Board and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2024.

**For Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

Place: Hyderabad  
Date: May 29, 2024

# Annexure III

## to the Corporate Governance Report

### CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

**Balaxi Pharmaceuticals Limited**

Plot No. 409, H. No. 8-2-293, Maps Towers,  
3<sup>rd</sup> Floor, Phase – III, Road No. 81, Jubilee Hills,  
Hyderabad (T.G.) – 500096

We have examined the compliance of conditions of Corporate Governance by Balaxi Pharmaceuticals Limited (“the Company”) for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the management, we certify that the Company to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

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

We further state that such compliance 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.

Date: 29/05/2024

Place: Cochin

**CS Yogindunath S**

**BVR & Associates Company Secretaries LLP**

Designated Partner

M NO: 7865

CP: 9137

UDIN: FO07865FO00478280

PEER REVIEW NUMBER: P2010KE020500

# Annexure IV

## to the Corporate Governance Report

May 29, 2024

To  
The Board of Directors  
**Balaxi Pharmaceuticals Limited**  
Hyderabad

### MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Balaxi Pharmaceuticals Limited ("the Company"), certify that:

- a) We have reviewed the Standalone and Consolidated Financial Statements and Cash Flow Statement of the Company for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period under review which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there are no deficiencies in the design or operation of such internal controls.
- d) We have indicated the auditors and the Audit committee that there are no:
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year;
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**For Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
(Managing Director)  
DIN: 01575984

**Amol Mantri**  
(Chief Financial Officer)

# Business Responsibility & Sustainability Report

## Section A) General Disclosures

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L25191TG1942PLC121598
2.	Name of the Listed Entity	Balaxi Pharmaceuticals Limited
3.	Year of incorporation	1942
4.	Registered office address	Plot No. 409, H. No. 8-2-293, Maps Towers, 3 <sup>rd</sup> Floor, Phase – III, Road No. 81, Jubilee Hills, Hyderabad (T.G.) – 500096.
5.	Corporate address	Plot No. 409, H. No. 8-2-293, Maps Towers, 3 <sup>rd</sup> Floor, Phase – III, Road No. 81, Jubilee Hills, Hyderabad (T.G.) – 500096.
6.	E-mail	<a href="mailto:secretarial@balaxi.in">secretarial@balaxi.in</a>
7.	Telephone	+91 40 23555300
8.	Website	<a href="http://www.balaxipharma.in">www.balaxipharma.in</a>
9.	Financial year for which reporting is being done	April 2023 – March 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 10,74,72,500/- (Rupees Ten Crore seventy-four lakhs seventy-two thousand and five hundred only)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Mr. Mahesh Inani, Company Secretary and Compliance Officer Telephone: +91 40 23555300 Email: <a href="mailto:secretarial@balaxi.in">secretarial@balaxi.in</a>
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 Standalone basis.

### II. Product & Services

14. 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.	Trading	International Wholesale Trading/ Distribution	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

S No	Product /Service	NIC Code	% of the total turnover contributed
1	Pharmaceutical Products	464	93.03
2	Branded Consumer Products	463	6.38

### III. Operations

16. Number of locations where plants an/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	-	1	1
International	-	-	-

## 17. Markets served by the entity:

## a. Number of Locations

Locations	Number
National (No of States)	0
International (No of Countries)	8

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

100%

## c. A brief on types of customers

Distributors, Wholesalers and Retailers

**IV. EMPLOYEES**

## 18. Details as at the end of Financial Year:

## a. Employees and Workers (including differently abled):

SL No.	Particulars	Total (A)	Male		Female	
			No. ( B)	% ( B/A)	No. (C)	% ( C/A)
<b>Employees</b>						
1	Permanent (D)	46	37	80.43	09	19.57
2	Other than Permanent (E)	-	-	-	-	-
3	Total Employees (D+E)	46	37	75.68	09	24.32
<b>Workers</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total (F+G)	-	-	-	-	-

## b. Differently Abled Employees &amp; Workers

SL No.	Particulars	Total (A)	Male		Female	
			No. ( B)	% ( B/A)	No. (C)	% ( C/A)
<b>Differently Abled Employees</b>						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total Employees (D+E)	-	-	-	-	-
<b>Differently Abled Workers</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total (F+G)	-	-	-	-	-

## 19. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% ( B/A)
Board of Directors	6	2	33.33
Key Management Personnel	4	0	-

20. Turnover rate for permanent employees and workers.

	Turnover Rate - FY2024			Turnover Rate - FY2023			Turnover Rate - FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	39%	33%	30.43%	17.5%	30%	20%	14.71%	NIL%	11.36%
<b>Permanent Workers</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

21. (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.	Balaxi Overseas Private Limited	Holding Company	Not Applicable	No
2.	Balaxi Global DMCC, Dubai	Wholly Owned Subsidiary	100%	No
3.	Balaxi Healthcare Ecuador	Wholly Owned Subsidiary	100%	No
4.	Balaxi Healthcare Guatemala, S.A, Republic of Guatemala	Wholly Owned Step-Down Subsidiary	100%	No
5.	Balaxi Healthcare Dominicana, S.R.L, Dominican Republic	Wholly Owned Step-Down Subsidiary	100%	No
6.	Balaxi Healthcare Honduras, S. DE R.L. DE C.V, Honduras	Wholly Owned Step-Down Subsidiary	100%	No
7.	Balaxi Healthcare Centrafrique, SARL, Centrafrique	Wholly Owned Step-Down Subsidiary	100%	No
8.	Balaxi Healthcare El Salvador S.A DE., El Salvador	Wholly Owned Step-Down Subsidiary	100%	No
9.	Balaxi Healthcare Angola, Republic of Angola	Wholly Owned Step-Down Subsidiary	100%	No

**Note:** Balaxi Global DMCC, Dubai, Wholly Owned Subsidiary of the Company holds 100% of shares in the step-down subsidiaries.

Balaxi Overseas Private Limited is Holding Company of the Company and it holds 65.13% of the total equity shares in the Company.

#### VI. CSR Details

- (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (In Rs. Lakhs): 7019.60
- (iii) Net worth (in Rs. Lakhs): 12,139.16

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances 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	FY2024			FY2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://balaxipharma.in/corporate-policies">https://balaxipharma.in/corporate-policies</a>	Nil	Nil		Nil	Nil	
Investors (Other than Shareholders)	Yes <a href="https://balaxipharma.in/corporate-policies">https://balaxipharma.in/corporate-policies</a>	Nil	Nil		Nil	Nil	
Shareholders	Yes <a href="https://balaxipharma.in/corporate-policies">https://balaxipharma.in/corporate-policies</a>	Nil	Nil		Nil	Nil	
Employees	Yes <a href="https://balaxipharma.in/corporate-policies">https://balaxipharma.in/corporate-policies</a>	Nil	Nil		Nil	Nil	
Customers	Yes <a href="https://balaxipharma.in/investor-contacts">https://balaxipharma.in/investor-contacts</a>	Nil	Nil		Nil	Nil	
Value Chain Partners	Yes <a href="https://balaxipharma.in/investor-contacts">https://balaxipharma.in/investor-contacts</a>	Nil	Nil		Nil	Nil	

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24. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

SL No	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying risk or opportunity	In case of risk approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Carbon Footprint in Global Supply Chain	Risk	Climate change will result in stricter environmental regulations across sectors, this will increase transportation cost for the Company.	Ensuring Vendors/ CDMOs are in compliance with the applicable environmental standards.	Negative : Increased operating costs in meeting the environmental standards.
2.	Diversity and Inclusion	Opportunity	Foster a diverse and inclusive workplace that promotes equality, non-discrimination, and equal opportunities for all employees. This will lead to a good talent pool for the Company.	-	Positive Implication: The productivity will increase due to healthy work environment.
3.	Corporate Governance	Opportunity	Ensuring good governance and transparent practices can help securing stakeholder interest, a higher reputation, reduced risks and improved financial performance.	-	Positive Implication: Reduced Risk due to transparent practices.

## 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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://balaxipharma.in/corporate-policies">https://balaxipharma.in/corporate-policies</a>								
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.	None								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is determined to follow the path envisioned under the 9 principles laid down in the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business issued by the Ministry of Corporate Affairs.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company shall continue to monitor its performance against the said principle(s) and take necessary action as and when the need arises.								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):	The purpose of our business is to dedicatedly serve to ensure stakeholder delight and influence the environment and society at large with our good work, as we abide by our values that form the cornerstone of our business strategies, decisions, and activities. We are committed to this roadmap as we seek to grow sustainably and deliver Pharmaceutical Products to frontier markers with excellence, again and again, with a lot more rigor and enthusiasm as the days pass.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ashish Maheshwari (DIN: 01575984), Managing Director Telephone: +91 40 23555300 Email: <a href="mailto:secretarial@balaxi.in">secretarial@balaxi.in</a>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).	Yes, Committee consists of Managing Director as Chairman along with other functional heads.								
If yes, provide details.									

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)																	
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9									
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y										Half Yearly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y										Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, Name of the agency.										P1	P2	P3	P4	P5	P6	P7	P8	P9	N	N	N	N	N	N	N	N	N

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	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)						NA			
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)						NA			

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**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**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	% of persons in respective category covered by the awareness programmes
Board of Directors	1	Anti Bribery and Anti Corruption Policy	100%
Key Managerial Personnel	1	Anti Bribery and Anti Corruption Policy	100%
Employees other than BoD and KMPs	4	Anti Bribery and Anti Corruption Policy POSH Act Grievance Redressal Mechanism Importance of Stakeholders	100%
Workers	Not Applicable		

## 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, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

## A. Monetary

Particulars	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	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil

## B. Non Monetary

Particulars	NGRBC Principle	Name of the regulatory / Enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred ? Yes/No
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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

Case Details	Name of the regulatory /enforcement agencies/judicial institutions
	Not Applicable

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

Yes, Company have an anti – corruption and anti-bribery policy, Company recognises and follows all applicable laws and regulations and respects lawful customs of the regions where we operate and transact. We are committed to acting and building relationships based on integrity and fairness in all our dealings. Hence, Balaxi has adopted a “Zero Tolerance” approach to bribery and corruption. The policy is available on the website of the company at <https://balaxipharma.in/corporate-policies>.

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

	FY2024	FY2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. Details of complaints with regard to conflict of interest

Particulars	FY2024		FY2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. 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.:

Not Applicable

**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.

Category	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	Nil*	Nil*	-
Capex	Nil*	Nil*	-

\* As on March 31, 2024, the Company is operating on an asset-light model and hence, no capex has been incurred by the Company.

2. Sustainable Sourcing
- Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
Yes, We source from GMP Certified Contract Development Manufacturing Organisations (“CDMOs”).
  - If yes, what percentage of inputs were sourced sustainably?  
100% of our products are sourced from GMP Certified CDMOs.
3. Processes in place to reclaim products for reuse, recycle, and safe disposal of products at the end of life for
- Plastics (Including Packaging): Yes
  - E-Waste: Yes
  - Hazardous waste: Yes
  - other waste: Yes

We ensure the products are disposed off/ reused/ recycled, as per the nature of the product at the end of the life cycle in respective markets.

4. Extended Producer Responsibility (EPR)
- 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, steps taken to address the same.

Not Applicable, Company is not involved in any manufacturing activity. The Company is engaged in the business of International Wholesale Distribution in various international markets.

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

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

Category	% 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)
<b>Permanent Employees</b>											
Male	37	37	100	37	100	0	0	37	100	0	0
Female	09	09	100	09	100	09	100	-	-	0	0
<b>Total</b>	<b>46</b>	<b>46</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>00</b>	<b>17.65</b>	<b>37</b>	<b>82.35</b>	<b>0</b>	<b>0</b>
<b>Other than permanent employees</b>											
Male	0	0	0	0	0	-	-	0	0	0	0
Female	0	0	0	0	0	0	0	-	-	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

b. Details of measures for the well-being of Workers

Category	% 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)
<b>Permanent workers</b>											
Male	0	0	0	0	0	-	-	0	0	0	0
Female	0	0	0	0	0	0	0	-	-	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
<b>Other than permanent workers</b>											
Male	0	0	0	0	0	-	-	0	0	0	0
Female	0	0	0	0	0	0	0	-	-	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

2. Details of retirement benefits, for current FY and previous financial year

Benefits	FY 2024			FY 2023		
	Number of employees covered as % of total employees	Number of Workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)	Number of employees covered as % of total employees	Number of Workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	17.65%	NA	Yes	26.53%	NA	Yes
Others – specify	-	-	-	-	-	-

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 office of the Company is accessible to differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, a web-link to the policy. Yes, the policy is available on the website of the company at <https://balaxipharma.in/corporate-policies>.

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	N.A	N.A	NA	NA
Female	-	-	NA	NA
Total	N.A	N.A	NA	NA

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

	Yes/No (if yes then give details of the mechanism in brief) :
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes, The Company has a Grievance Redressal policy, which address all kinds of issues an employee may face while at work. The grievance may include: <ul style="list-style-type: none"> <li>Any kind of discrimination on account of disability, gender, race, sexual orientation, religion, marital status and social class</li> <li>Violation of human rights</li> <li>Bullying / workplace harassment</li> <li>Denial of applicable benefits</li> <li>Working conditions</li> </ul>
Other than permanent Employees	Not Applicable

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

Category	FY2024			FY2023		
	Total employees /workers in respective category (A)	Total employees/ workers in respective category, who are part of association (s) or Union (s) (B)	% (B/A)	Total employees /workers in respective category (C)	Total employees/ workers in respective category, who are part of association (s) or Union (s) (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male	37	0	0	42	0	0
Female	9	0	0	9	0	0
<b>Total Permanent Workers</b>						
Male	NA	NA	-	NA	NA	-
Female	NA	NA	-	NA	NA	-

8. Details of training given to employees and workers

Category	FY2024					FY2023				
	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)
<b>Employees</b>										
Male	37	37	100	37	100	42	42	100	42	100
Female	9	9	100	9	100	09	09	100	09	100
Total	46	46	100	46	100	51	51	100	51	100
<b>Workers</b>										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	FY2024			FY2023		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
<b>Employees</b>						
Male	37	37	100	42	42	100
Female	09	09	100	09	09	100
Total	46	46	100	51	51	100
<b>Workers</b>						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system

- Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?  
Yes, Company has implemented the Health and Safety Policy which covers all the employees of the Company.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?  
Appropriate policies / guidelines have been formulated to address various types of hazards and related risk assessment & mitigation.
  - All work-related hazards are identified basis the recommended guidelines.
  - Their associated risk assessment procedures are part of the Safety manual.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)  
Yes
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**  
Yes

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

Safety Incident / Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) Per One million -person hours worked	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

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

Employee well-being programs/initiatives are conducted for all the employees and during FY 2023-24 the following well-being initiatives were undertaken:

- Women safety programs
- Posh & gender sensitization meetings
- Road safety programs
- Women self-defense program
- Fire emergency training exit
- General health check up

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

	FY2024			FY2023		
	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
Working Conditions	NIL	NIL		NIL	NIL	
Health & Safety	NIL	NIL		NIL	NIL	

14. Assessments for the year:

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

15. 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.

The Company has implemented Hygiene Policy which ensures workplace cleanliness and basic amenities like availability of clean drinking water, proper sanitation facilities, etc.

The HR team conducts review on a quarterly basis to ensure all the points under the hygiene policy are taken care of.

Further, Training of all employees regarding protocol to be followed in case of any safety incident has been conducted.

#### Principle 4. Businesses should respect the interests of and be responsive to all its stakeholders.

##### Essential Indicators:

1. Process for identification of key stakeholders

Balaxi, a pharmaceutical distribution company, effectively identifies its stakeholders through meticulous research and analysis. Senior management and HODs of the respective departments interact with the respective stakeholders before forming an association. Primary stakeholders such as customers, suppliers, employees, and investors are recognized, understanding their needs and expectations accordingly. The WHO GMP certified units from which Balaxi procures products are also considered stakeholders, ensuring high-quality standards.

2. Key stakeholder groups

	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
Customers (Distributors, Wholesalers and Retailers)	No	- satisfaction surveys - Marketing and advertising - Complaint handling and feedback - Electronic communication – social media, Calls	It is a continuous process	Addressing requirements for products and grievances, if any
Suppliers/ CDMOs	No	- Regular interaction through online and offline meetings, phone calls, e-mails - Conferences and workshops - In Person Meetings/ Visits.	Daily	To share the specific requirements, Status update on product deliveries and other terms of trade.

	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>- Trainings and development programmes</li> <li>- Performance management system</li> <li>- Emails. Written communication</li> <li>- circulars and internal publications</li> <li>- Employee engagement initiatives</li> </ul>	Daily/ Weekly	For smooth functioning of business operations.
Investors	No	<ul style="list-style-type: none"> <li>- Annual General meeting</li> <li>- Investor presentations and conference calls</li> <li>- Investor conferences and meets</li> <li>- Press releases, Quarterly Results and newsletters</li> </ul>	Quarterly/ Annually/ Need basis	To provide updates on company's operations and Financial Performance
Government/ Regulators	No	<ul style="list-style-type: none"> <li>- Meetings and formal dialogue</li> <li>- Filings with the regulators</li> </ul>	Others – Need basis	Business and Compliance related
Community	Yes	<ul style="list-style-type: none"> <li>- CSR partnerships - Contribution towards various causes</li> </ul>	Others – Need basis	CSR Initiatives of the Company

### Principle 5. Businesses should respect and promote human rights

#### Essential Indicators

1. Training on human rights issues and policies

Category	FY2024			FY2023		
	Total (A)	Number of employees and workers covered (B)	% (B/A)	Total (C)	Number of employees and workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	46	46	100	51	51	100
Other than Permanent	0	0	-	0	0	-
<b>Total Employees</b>	<b>46</b>	<b>46</b>	<b>100</b>	<b>51</b>	<b>51</b>	<b>100</b>
<b>Workers</b>						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

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

Category	FY2024					FY2023				
	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)
<b>Employees</b>										
<b>Permanent</b>										
Male	37	0	0	37	100	42	0	0	42	100
Female	9	0	0	9	100	09	0	0	09	100
<b>Other than Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Other than Permanent</b>										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Amt. in ₹ Lakhs)	Number	Median remuneration/ salary/wages of respective category (Amt. in ₹ Lakhs)
<b>Board of Directors</b>	4	2.5	2	2.5
Key Managerial Personal	4	30.25	-	-
Employees other than BoD and KMP	37	4.32	7	1.94
Workers	NA	NA	NA	NA

\*Note: Remuneration includes sitting fee paid to directors.

## 4. Focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

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

Company is committed to providing a safe and positive work environment. In keeping with this philosophy, the organization has an open-door policy. Employees also have access to Human Resource Department where they can highlight matters or concerns faced at the workplace. This is achieved through a well-established and robust grievance resolution mechanism comprising of Internal Resolution Committee. Internal Resolution Committee adhere to the principles of natural justice, confidentiality, sensitivity, non-retaliation and fairness while addressing concerns. The concerns are handled with sensitivity, while delivering timely action and closure.

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

Category	FY2024			FY2023		
	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	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human right related issues	0	0		0	0	

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

Yes, Company has mechanisms in place to prevent adverse consequences to the complaint in discrimination and harassment cases. The details of the complainant are kept confidential, and the authenticity of the complainant's report is investigated by the assigned committee. The details regarding the investigation are also limited to the internal resolution committee and kept confidential. The complainant is protected from any discrimination and harassment till the issue is resolved. This is done in order to safeguard the complainant's interest and confidence.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No) Yes

9. Assessments of the year

Category	% of plants and offices that were assessed by the entity or by the statutory authorities or third parties
Child Labour	100%
Forced/Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

10. Details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks reported in the assessment.

#### 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	FY24 (In Giga Joules)	FY23 (In Giga Joules)
Total electricity consumption (A)	133.81	133.76
Total fuel consumption (B)	Nil	Nil
<b>Energy consumption through other sources (C)</b>	Nil	Nil
<b>Total energy consumption (A+B+C)</b>	<b>133.81</b>	<b>133.76</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.013 GJ/ Rs. Lakhs	0.013 GJ/ Rs. Lakhs
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

No

2. Sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)

No

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

Parameter	FY24	FY23
Water Withdrawal by Source (In Kiloliters)		
(i) Surface water	NA	NA
(ii) Groundwater	-	-
(iii) Third party water	967	557
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	967	557
<b>Total volume of water consumption (in kilolitres)</b>	967	557
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.09 KI/Rs. Lakhs	0.05 KI/ Rs. Lakhs
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

No

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

Zero Liquid Discharge is not applicable to the Company as it is an International Wholesale Distribution Company and does not own any manufacturing plants.

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

Parameter	Please specify unit	FY24	FY23
NOx		Nil	Nil
Sox		Nil	Nil
Particulate Mater		Nil	Nil
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others – please specify		Nil	Nil

The Company is not into manufacturing and therefore the possibility of releasing emissions into the atmosphere is negligible/ not applicable.

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

No

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity

Parameter	Unit	FY24	FY23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 1 and Scope 2 emissions</b> per rupee of turnover		-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

The Company is not into manufacturing and therefore the possibility of releasing greenhouse gas emissions into the atmosphere is negligible/not applicable.

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

No

7. Project related to reducing Green House Gas emission? If yes, details.

No, the Company does not have any project related to reducing greenhouse gas emissions.

8. Details of waste generated, re-cycled re-used and disposed off

Parameter	FY24	FY23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste ( A)	Nil	Nil
E-waste ( B)	Nil	Nil
Bio-medical waste ( C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
<b>Other Hazardous waste (G)</b>	Nil	Nil
Other Non-hazardous waste generated (H) (Break-up by composition i.e by materials relevant to the sector)	Nil	Nil
<b>Total ( A+B+C+D+E+F+Gg+H)</b>	Nil	Nil
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
i. Re-cycled	Nil	Nil
ii. Re-used	Nil	Nil
iii. Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of Waste</b>		
i. Incineration	Nil	Nil
ii. Landfilling	Nil	Nil
iii. Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil

The nature of business of the Company is International Wholesale Distribution where Company does not have any manufacturing facility or produce anything inhouse and hence, this clause is not applicable to us.

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

No

9. Details of waste management practices, strategy adopted by the company to reduce usage of hazardous and toxic chemicals in our products and processes and the practices adopted to manage such wastes.

As an International Wholesale Distribution Company, we do not manufacture any products and thus does not use any hazardous or toxic chemicals.

10. 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:

Location of operations/offices	Type 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.
Not Applicable	Not Applicable	Not Applicable

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

During the reporting period, Company has not conducted any environment impact assessment. Company ensures compliance to local and national applicable laws wherever required.

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					

12. Compliance 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, Environment protection act and rules thereunder (Y/N).

Yes, Company ensures compliance to applicable laws.

If not, details of all such non-compliances, in the following format

SL No	Law / regulation / guidelines which was not complied with	Details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

**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: 5  
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

SL No	Name of the trade industry chambers/associations	The reach of trade and industry chambers/associations (State/National)
1	Two Star Export House Certificate by Directorate General of Foreign trade	National
2	Pharmexcil Registration from Pharmaceuticals Export Promotion Council of India	National
3	FSSAI Certification from Food Safety and Standards Authority of India (FSSAI)	National
4	Certification from Agricultural and Processed Food Products Export Development Authority (APEDA)	National
5	Member of Federation of Indian Export Organisation (FIEO)	National

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

Name of authority	Brief of the case	Corrective actions taken
Nil		

## Principle 8. Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification No.	Date of notification	Whether conducted by an Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant weblink
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Not Applicable

2. Information on project (s) for which ongoing rehabilitation and resettlement ( R&R) is being undertaken by the entity

SL No	Name of project for which R&R is ongoing	State	District	No. of project-affected families	% of PAFs covered by R&R	Amount paid to PAFs in FY24
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Not Applicable

3. Mechanisms to receive and redress grievances of the community:

We have a grievance redressal mechanism which covers all our stakeholders. Active engagement with the community and stakeholders requires an effective grievance redressal system that includes feedback loops and conflict resolution mechanisms. Stakeholders can share their feedback/ concern on [info@balaxipharma.in](mailto:info@balaxipharma.in)

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

Particulars	FY24	FY23
Directly sourced from MSMEs/small producers	95.05%	80.28
Sourced directly from within the district and neighbouring districts	-	-

## Principle 9. Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback:

Consumers can directly contact the Company through email or phone and further our representative visits all the clients regularly for their feedback and issues, if any.

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

Particulars	As a % of total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the following

Particulars	FY2024		Remarks	FY2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

Particulars	Number	Reasons for recall
Voluntary recalls	0	N.A
Forced recalls	0	N.A

## 5. Framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, web-link of the policy.:

Yes, the policy is available at <https://balaxipharma.in/corporate-policies>.

## 6. 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.: None

# Independent Auditor's Report

To the members of

**M/s. Balaxi Pharmaceuticals Limited**

## Report on the Audit of the Standalone IND AS Financial Statements

### Opinion

We have audited the accompanying Ind AS Standalone financial statements of Balaxi Pharmaceuticals Limited, which comprise the balance sheet as at 31<sup>st</sup> March 2024, the statement of Profit and Loss (including Other Comprehensive income), Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the 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, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and Profit for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 standalone financial statements under the provisions of the Companies Act, 2013 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 opinion.

### Key Audit Matters

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

Depending on the facts and circumstances of the entity and the Audit, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
<p>The Company has obtained leasehold land by entering into lease agreement with Telangana State Industrial Infrastructure Corporation Limited attracting the adoption of Ind AS 116 "Leases".</p> <p>Significant judgement is required in the assumptions and estimates used in order to apply the definition of lease, application of discount rate, and lease term for computation of ROU asset and lease liability.</p> <p>We considered this a key audit matter due to the inherently judgmental nature to determine the lease liabilities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's adoption of Ind AS 116 and identified the internal controls including entity level control adopted by the Company for accounting, processes and systems under the accounting standard;</li> <li>• Assessed the discount rates applied in determining lease liabilities;</li> <li>• We assessed and evaluated the reasonableness of lease terms used for computation lease liabilities and right-of-use assets;</li> <li>• We obtained the company's quantification of ROU assets and lease liabilities. We agreed the inputs used in the quantification to the lease agreements and performed re-computation of lease liabilities and ROU asset in accordance with the lease registration documents;</li> <li>• We assessed whether the related presentations and disclosures within the financial statements are appropriate in compliance with the requirements of Ind AS 116 "Leases".</li> </ul>

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

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

accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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.

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

### Auditor's Responsibility

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

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

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

the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on Other Legal and Regulatory Requirements

1. As required by 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 A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) the Balance Sheet, Statement of Profit and Loss(including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued there under.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which

there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year.
- iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Management has represented that, to the best of its knowledge and belief, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- vii. The company has not declared or paid any dividend during the year.

**For P Murali & Co.,**  
Chartered Accountants  
Firm Regn No. 007257S

**A Krishna Rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUH3074

Place: Hyderabad  
Date: 29-05-2024

# Annexure A

## to the Auditor's Report

### Annexure referred to in paragraph 1 of Our Report of even date to the members of M/s. Balaxi Pharmaceuticals Limited on the accounts of the company for the year ended 31st March, 2024 Under "Report on other Legal & Regulatory Requirements"

- |   |   |
|---|---|
| <p>i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant &amp; Equipment.</p> <p>(B) The company has maintained proper records showing full particulars of intangible assets.</p> <p>(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, PPE have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the company doesn't possess any immovable property. In respect of immovable properties taken on lease and disclosed as property, plant and equipment in the standalone Ind AS financial statements, the lease agreements are duly executed in the name of the Company.</p> <p>(d) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment or intangible assets during the period under review.</p> <p>(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.</p> <p>ii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company inventories have been physically verified at reasonable intervals of time and no material discrepancies have been found.</p> <p>(b) During the year, the company was sanctioned funded working capital limits above 5 crores in the nature of cash credit on the basis of entire current assets. The quarterly statement filed by the Company with the bank is in agreement with the books of account of the Company.</p> <p>iii. The company has not granted any loans, secured or unsecured, to companies, firms, and Limited</p> | <p>Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.</p> <p>iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantees and securities as referred to in section 185 and 186 of the Act. The investments made are in compliance with section 186 of the Act</p> <p>v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.</p> <p>vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company.</p> <p>vii. (a) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax and other material statutory dues in arrears as at 31st March 2024 for a period of more than 6 months from the date they became payable.</p> <p>(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or any other material statutory dues, which have not been deposited on account of any disputes.</p> <p>viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act.</p> <p>ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year . The company has not issued any debentures.</p> <p>x. According to the information and explanations given to us,</p> <p>(A) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans.</p> |
|---|---|

- (B) The Company has made preferential allotment of share warrants during the year under review.
- In respect of the above issue, we further report that:
- a. the requirement of Section 42 of the Companies Act, 2013 as applicable, have been complied with; and
- b. the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.
- xi. (a) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiv. (a) In our opinion the company has an adequate internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were duly considered by us in determining the nature, timing and extent of our audit procedures.
- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, based on our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and company is capable of meeting its liabilities existing at the date of balance sheet.
- 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 Act, in compliance with second proviso to sub section 5 of section 135 of the Act. The same has been disclosed in Note 36 to the Standalone Financial Statements.
- b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to an ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. The same has been disclosed in Note 33 to the Standalone Financial Statements.

**For P Murali & Co.,**

Chartered Accountants  
Firm Regn No. 007257S

**A Krishna Rao**

Partner  
Membership No. 020085  
UDIN: 24020085BKAUH3074

Place: Hyderabad

Date: 29-05-2024

# Annexure B

## to the Auditor's Report

**“Annexure B” referred to in paragraph 2(e) under “Report on other legal and Regulatory Requirements” section of report on Standalone Ind AS financial statements of even date to the members of M/s. Balaxi Pharmaceuticals Limited on the Standalone Ind AS financial statement for the year ended 31st march 2024.**

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

We have audited the internal financial controls over financial reporting of Balaxi Pharmaceuticals Limited ('the Company') as of 31st March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For P Murali& Co.,**

Chartered Accountants  
Firm Regn No. 007257S

### **A Krishna Rao**

Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH3074

Place: Hyderabad

Date: 29-05-2024

# Standalone Balance Sheet

as at 31<sup>st</sup> March 2024

Particulars	Note No	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
<b>ASSETS:</b>			
<b>1 Non-Current Assets:</b>			
(a) Property, Plant and Equipment	3	709.65	789.45
(b) Capital Work-in-progress		230.84	283.16
(c) Goodwill		-	-
<b>(d) Financial Assets:</b>			
(i) Investments	4	1,988.44	1,953.50
(ii) Other Financial Assets		-	-
(e) Other Non Current Assets	5	217.51	44.33
<b>2 Current Assets:</b>			
<b>(a) Inventories</b>	6	83.92	149.49
<b>(b) Financial Assets:</b>			
(i) Trade Receivables	7	7,676.08	7,828.70
(ii) Cash and Cash Equivalents	8	4,406.21	1,787.69
(iii) Loans and Advances	9	14.80	21.80
(c) Other Current Assets	10	109.00	114.34
<b>Total Assets</b>		<b>15,436.44</b>	<b>12,972.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>1 Shareholder Funds</b>			
(a) Equity Share Capital	11	1,089.77	1,018.13
(b) Other Equity	12	10,687.63	7,162.83
(c) Money received against Share Warrants	13	377.28	1,029.69
<b>2 Share application money pending allotment</b>		-	-
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
<b>(a) Financial Liabilities:</b>			
(i) Borrowings		-	-
(ia) Lease Liabilities		174.32	168.58
(ii) Trade Payables			
(A) Dues to MSME			
(A) Dues to Other than MSME			
(b) Provisions	14	4.33	-
(c) Deferred Tax Liabilities (Net)	15	99.54	110.05
<b>2 Current Liabilities</b>			
<b>(a) Financial Liabilities:</b>			
(i) Trade Payables	16		
(A) Dues to MSME		1,152.66	1,225.93
(A) Dues to Other than MSME		91.69	500.14
(ii) Borrowings	17	1,395.61	1,075.10
(b) Other Current Liabilities	18	216.60	231.27
(c) Provisions		-	-
(c) Current tax Liabilities (Net)	19	147.00	450.73
<b>Total</b>		<b>15,436.44</b>	<b>12,972.45</b>
<b>Summary of Significant Accounting Policies</b>	2		

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 0072575

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH6926

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Minoshi Maheshwari**  
Director  
DIN: 01575975

Place : Hyderabad  
Date : 29-05-2024

**Amol Mantri**  
Chief Financial Officer

**Mahesh Inani**  
Company Secretary

# Statement of Profit and Loss

## for the Year ended 31<sup>st</sup> March 2024

Particulars	Note No	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
I. Revenue from Operations	20	7,019.60	10,813.78
II. Other Income	21	239.86	660.41
<b>III. Total Income (I +II)</b>		<b>7,259.46</b>	<b>11,474.18</b>
IV. Expenses:			
Cost of material consumed	22	5,648.77	8,209.51
Employee Benefits expense	23	504.04	404.13
Finance costs	24	154.12	45.90
Depreciation and Amortization Expense	3	51.06	51.54
Administrative Expenses	25	343.17	518.04
<b>IV. Total Expenses</b>		<b>6,701.16</b>	<b>9,229.12</b>
V. Profit/(Loss) before exceptional items and tax (III - IV)		558.31	2,245.07
VI. Exceptional Items		-	-
VII. Profit/(Loss) before tax (V-VI)		558.31	2,245.07
VIII. Tax expense:			
(1) Current tax	26	203.79	516.67
(2) Deferred tax		(10.51)	106.17
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		<b>365.03</b>	<b>1,622.22</b>
X. Other Comprehensive Income.			
A. Items that will not be reclassified to Profit or Loss			
(i) Exchange (gain)/Loss on foreign currency transactions		-	-
(ii) Actuarial loss on defined benefit plans recognised in accordance with Ind AS 19.		-	-
B. Items that will be reclassified to Profit or Loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>365.03</b>	<b>1,622.22</b>
XI. Earnings per equity share (for continuing operation):	27		
(1) Basic		3.55	16.17
(2) Diluted		3.54	16.02
Summary of Significant Accounting Policies	2		

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 007257S

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH6926

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Cash Flow Statement

## for The Year Ended 31<sup>st</sup> March, 2024

Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	558.31	2,245.07
Adjustments for:		
Interest	154.12	45.90
Depreciation	51.06	51.54
Comprehensive income for the year	-	-
Operating Profit before working capital changes	763.49	2,342.50
Adjustments for:		
Increase/ (decrease) in trade payables	(481.72)	151.49
Increase/ (decrease) in other financial liabilities	(14.67)	77.11
Decrease / (increase) in other bank balance	-	(0.16)
Decrease / (increase) in advance	7.00	(16.61)
Decrease / (increase) in other receivables	(173.18)	54.54
Decrease / (increase) in trade receivables	152.62	(2,617.35)
Decrease / (increase) in Inventory	65.57	(149.49)
Decrease / (increase) in Other Current Assets	5.34	(7.77)
Cash generated from operations	324.45	(165.74)
Direct taxes paid (net of refunds)	(507.52)	(540.87)
Cash flow before extraordinary items	(183.07)	(706.61)
Extraordinary items	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(183.07)</b>	<b>(706.61)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(3.46)	(10.93)
Capital work in progress	52.32	(225.96)
Sale of Assets	32.20	-
Proceeds from other financial assets	-	-
Proceeds from Loan	-	-
Proceeds to Advances	-	-
Investment in Non-Current Investments	(34.94)	7.41
<b>Net Cash Used In Investing Activities</b>	<b>46.12</b>	<b>(229.48)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest paid	(139.00)	(31.27)
Lease Payments	(9.38)	(8.93)
Long Term Liabilities	-	-
Loans taken	320.51	882.10
Long Term Provisions	4.33	-
Long Term Loans and Other Financial Assets	-	-
Dividend paid	-	(49.84)
Further Issue of Equity Share Capital incl. Premium	2,579.00	1,847.13
<b>Net Cash Flow From Financing Activities</b>	<b>2,755.46</b>	<b>2,639.19</b>
NET INCREASE\ (DECREASE) IN CASH AND CASH EQUIVALENTS	2,618.50	1,703.10
Cash and Cash equivalents ( Opening Balance)	1,787.23	84.13
Cash and Cash equivalents ( Closing Balance)	4,405.72	1,787.23
Unencashed Dividends in bank accounts	0.47	0.47
<b>Total Cash and Bank Balances</b>	<b>4,406.21</b>	<b>1,787.69</b>

AS PER OUR REPORT OF EVEN DATE

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 0072575

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH6926

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Statement of changes in equity

## for the year ended 31<sup>st</sup> March 2024

### A) Equity share capital

Equity shares of ₹ 10/- each issued, subscribed and fully paid

	Number of shares	₹ Lakhs
As at 31st March 2023	1,01,81,250.00	1,018.13
Changes in share capital	7,16,500.00	71.65
<b>As at 31st March 2024</b>	<b>1,08,97,750.00</b>	<b>1,089.77</b>

#### 1) Current Reporting Period

₹ Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,018.13	-	-	71.65	1,089.77

#### 2) Previous Reporting Period

₹ Lakhs

Balance at the beginning of the Previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Previous reporting period	Changes in equity share capital during the Previous year	Balance at the end of the Previous reporting period
1,000.00	-	-	18.13	1,018.13

## B) Other equity

## 1) Current Reporting Period

	Share ap- plication money pending allotment	₹ Lakhs	Equity compo- nent of compound financial instru- ments	Capital Re- serve	Secu- rities Premium	Other Re- serves - General Reserve	Retained Earnings	Debt in- stru- ments through other com- prehensive income	Equity instru- ment through other com- prehensive instrument	Effec- tive portion of cash flow hedges	Revalu- ation of surplus	Exchange difference on trans- lating the financial statements of a foreign operation	Other items of other comprehen- sive income (specify nature)	Money received against share warrants	₹ Lakhs
Balance at the beginning of reporting period	-	-	-	-	1,924.61	4.61	5,233.61	-	-	-	-	-	-	-	7,162.83
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in reserves	-	-	-	-	3,159.77	-	-	-	-	-	-	-	-	-	3,159.77
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	365.03	-	-	-	-	-	-	-	365.03
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	365.03	-	-	-	-	-	-	-	365.03
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the year	-	-	-	-	5,084.38	4.61	5,598.64	-	-	-	-	-	-	-	10,687.63

## 2) Previous Reporting Period

	₹ Lakhs		Reserves and Surplus				Debt instruments through other comprehensive income	Equity instrument through other comprehensive instrument	Effective portion of cash flow hedges	Revaluation of surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of other comprehensive income (specify nature)	Money received against share warrants	₹ Lakhs
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves - General Reserve	Retained Earnings								
Balance at the beginning of Previous reporting period	-	-	-	1,125.30	4.61	3,661.40	-	-	-	-	-	-	-	4,791.31
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in reserves	-	-	-	799.31	-	-	-	-	-	-	-	-	-	799.31
Restated balance at the beginning of the Previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the Previous year	-	-	-	-	-	1,622.22	-	-	-	-	-	-	-	1,622.22
Dividends	-	-	-	-	-	(50.00)	-	-	-	-	-	-	-	(50.00)
Transfer to retained earnings	-	-	-	-	-	1,622.22	-	-	-	-	-	-	-	1,622.22
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the Previous year	-	-	-	1,924.61	4.61	5,233.62	-	-	-	-	-	-	-	7,162.83

Summary of significant accounting policies

The accompanying notes form an integral part of the financial statements.

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 0072575

**For and on behalf of the Board**  
Balaxi Pharmaceuticals Limited

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH6926

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Minoshi Maheshwari**  
Director  
DIN: 01575975

Place : Hyderabad  
Date : 29-05-2024

**Amol Mantri**  
Chief Financial Officer

**Mahesh Inani**  
Company Secretary

# Notes to Standalone financial statements

## for the year ended 31<sup>st</sup> March, 2024

### 1.1 General Information

Balaxi Pharmaceuticals Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Plot no.409, H.No. 82-293, Maps Towers, 3rd Floor, Phase III, Road No: 81, Jubilee Hills, Hyderabad, Telangana, India. The Company was incorporated in September 1942. The Company Commenced the business of International Wholesale Trading of Pharmaceuticals, Builders Hardware and FMCG products during the Financial Year 2018-19.

### 1.2 Basis of preparation of financial statements

#### 1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2021. The financial statements were authorised for issue by the Company's Board of Directors on May 29, 2024.

#### 1.3 Functional and presentation currency

The financial statements are presented in Indian rupees Lakhs (Rounded off to thousands), which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee Lakhs (Rounded off to thousands) except share data, unless otherwise stated.

#### 1.4 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- refer accounting policy regarding financial instruments"

#### 1.5 Operating cycle

"All the assets and liabilities have been classified as

current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### Assets:

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

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

#### Liabilities:

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

### 1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

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

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

### Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

### 1.7 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the

fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. "

## 2 Significant accounting policies

### 2.1 Revenue recognition

The Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange of those products or services.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds
- Dividend income is accounted for when the right to receive the income is established, which is generally when shareholders approve the dividend.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 2.2 Leases

#### Company as a Lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance

fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The Company has elected to use the incremental borrowing rate as the discount, the future lease payments. The details of ROU assets held by the company along with depreciation are given in schedule 3.

### 2.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company'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. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### 2.4 Borrowing costs

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

### 2.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 2.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

### 2.7 Property, plant and equipment

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

### 2.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

### 2.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company

The Company has componentised its PPE and has separately assessed the life of major components. The Company depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act. "

Depreciation on additions is provided on a pro-rata

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

### 2.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

#### Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### 2.11 Inventories

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, fuel, stores & spare parts and packing materials:  
Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.
- Work-in- progress (WIP), finished goods and stock-in-trade:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 2.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

### 2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or

payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

### 2.14 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

### 2.15 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is 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 amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

### 2.16 Employee benefits

#### Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### Defined contribution plans

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

#### Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

#### Defined Benefit Plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The measurement date of retirement plans is March 31. The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method. The present value of the post-employment benefit obligations depends on a number of factors. The discounting rate used to calculate the Present of the defined benefit obligations is the incremental borrowing rate of the company. The Company does not have any plan assets as on 31-03-2024.

#### Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

### 2.17 Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### 2.18 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 2.19 Financial instruments

#### a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### b. Classification and Subsequent measurement

#### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair

value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Financial liabilities:** Classification, Subsequent measurement and gains and losses Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### c. Derecognition

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

### d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 3 Property, plant and Equipment

(₹ in Lakhs)

Particulars	Furniture & Fixtures	Computer and Printer	Office Equipments	Vehicles	Intangible Assets	ROU Asset	Total
<b>At 1 April 2023</b>	9.54	6.67	4.32	174.11	3.42	591.39	789.45
Additions		0.87	0.90	-	1.69	-	3.46
Disposals	-	-	-	32.20			32.20
Acquisitions through Business Combinations							
Revaluations							
Exchange differences if any	-	-	-				-
<b>At 31 March 2024</b>	<b>9.54</b>	<b>7.54</b>	<b>5.22</b>	<b>141.91</b>	<b>5.11</b>	<b>591.39</b>	<b>760.71</b>
Depreciation charge for the year	1.26	3.32	1.77	25.30	0.93	18.48	51.06
Disposals	-	-	-				-
Exchange differences	-	-	-				-
<b>At 31 March 2024</b>	<b>8.28</b>	<b>4.22</b>	<b>3.45</b>	<b>116.61</b>	<b>4.18</b>	<b>572.91</b>	<b>709.65</b>

#### Note No. 4 : Investments

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Investments in Equity Instruments:		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	1) Balaxi Global DMCC-100% Holding Wholly owned subsidiary of the company.	1,953.50	1,953.50
	2) Balaxi Healthcare Ecuador- 100% Holding	34.94	-
	<b>Total Investments</b>	<b>1,988.44</b>	<b>1,953.50</b>

#### Note No. 5 : Other Non Current Assets

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	TDS	8.54	2.33
b	TCS	1.97	1.99
c	Advance Tax FY 2022-23	-	0.01
d	Advance Tax FY 2023-24	167.00	-
e	Prepaid expenditure	40.00	40.00
	<b>Total- Income tax assets</b>	<b>217.51</b>	<b>44.33</b>

#### Note No. 6 : Inventory

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Stock of Finished Goods	83.92	149.49
	<b>Total Inventories</b>	<b>83.92</b>	<b>149.49</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Note No. 7 : Trade Receivables**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	Unsecured, Considered Good		
a	Accounts Receivable	7,676.08	7,828.70
		7,676.08	7,828.70
	Less: Allowance for Doubtful Debts refer 7(a) for ageing	-	-
	<b>Total Trade Receivables</b>	<b>7,676.08</b>	<b>7,828.70</b>

**Note No. 8 : Cash And Cash Equivalents**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	<b>Cash and cash equivalents :</b>		
a	Balances with banks :		
	On Current Accounts	2,549.49	1,787.21
	Deposits	1,855.92	-
b	Cash on hand	0.33	0.01
	Others		
	Sub Total	<b>4,405.74</b>	<b>1,787.22</b>
c	Other bank balances	0.47	0.47
	<b>Total Cash and Cash Equivalents</b>	<b>4,406.21</b>	<b>1,787.69</b>

**Note No. 9 : Advances**

		As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	<b>Unsecured, Considered Good</b>		
a	Loans and Advances to Employees	6.53	10.40
b	Other Advances	8.27	11.40
	<b>Total Loans -Current</b>	<b>14.80</b>	<b>21.80</b>

**Note No. 10 : Other Current Assets**

		As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Other Receivable	72.06	74.23
b	GST Refund	36.94	40.11
	<b>Total Loans -Current</b>	<b>109.00</b>	<b>114.34</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 11 : Equity Share Capital

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Equity Share Capital		
	(a) Authorised		
	(4,00,00,000 Shares of 10/- each )	-	-
		4,000.00	4,000.00
		<b>4,000.00</b>	<b>4,000.00</b>
	(b) Issued		
	[1,08,97,750 Shares of 10/- each ]	1,089.77	
	[1,01,81,250 Shares of 10/- each ]		1,018.13
	(c) Subscribed & Fully Paid Up		
	[1,08,97,750 Shares of 10/- each ]	1,089.77	
	[1,01,81,250 Shares of 10/- each ]		1,018.13
	<b>Total Equity Share capital</b>	<b>1,089.77</b>	<b>1,018.13</b>
II	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
	<b>Equity Shares of ₹ 10Each, Fully paid up</b>		
	At the Beginning	101.81	100.00
	Issued during the year	7.17	1.81
	At the end	<b>108.98</b>	<b>101.81</b>
III	<b>Details of Shareholder holding more than 5% shares of the company:</b>		
		<b>% of Share Holding</b>	
	<b>Equity Shares of ₹ 10 each Held By</b>		
	Balaxi Overseas Private Limited (holding company) - 7000000 shares	64.23%	68.75%
	Elara India Opportunities Limited - 950000 shares	8.72%	9.33%
	Marshal Global Capital Fund Ltd - 950000 shares	8.72%	9.33%

### Note No. 12 : Other Equity

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	<b>RESERVES AND SURPLUS</b>		
	a) Capital reserve		
	As at the commencement of the year		
	Add: Additions during the year		
	Less: Utilised for during the year		
		-	-
	b) Capital Redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year		
	Less: Utilised for during the year	-	-
		-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
c)	Securities Premium		
	As at the commencement of the year	1,924.61	1,125.30
	Add: Additions during the year	3,159.77	799.31
	Less: Utilised for during the year	-	-
		5,084.38	1,924.61
d)	General reserve		
	As at the commencement of the year	4.61	4.61
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		4.61	4.61
e)	Revaluation reserve	-	-
f)	Share options outstanding account	-	-
c)	Retained Earnings :		
	i) Opening Balance - Statement of Profit and Loss	5,233.61	3,661.40
	Add: Transfer from Statement of Profit & Loss	365.03	1,622.22
	Less: Dividends Declared	-	50.00
		5,598.64	5,233.61
		5,598.64	5,233.61
	<b>Total Other Equity</b>	<b>10,687.63</b>	<b>7,162.83</b>

### Note No. 13: Money Received against Share Warrants

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Money Received against Share Warrants	377.28	1,029.69
	<b>Total Money Received against Share Warrants</b>	<b>377.28</b>	<b>1,029.69</b>

### Note No. 14: Non- Current Provisions

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Pv of defined Benefit Obligations	4.33	-
	<b>Total Non- Current Provisions</b>	<b>4.33</b>	<b>-</b>

### Note No. 15: Deferred Tax Liability ( Net )

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Opening Deferred tax Liability	110.05	3.88
	Add:		
	Deferred Tax Liability for the year	(10.51)	106.17
	<b>Gross Deferred tax Liability</b>	<b>99.54</b>	<b>110.05</b>
	Opening Deferred tax Asset	-	-
	Deferred Tax Asset for the year	-	-
	<b>Gross Deferred tax Asset</b>	<b>-</b>	<b>-</b>
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>99.54</b>	<b>110.05</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 16 : Trade Payables

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Trade Payables		
	To MSMEs	1,152.66	1,225.93
	Others	91.69	500.14
	refer 15(a) for ageing		
	<b>Total Trade Payables</b>	<b>1,244.35</b>	<b>1,726.07</b>

### Note No. 17 : Borrowings

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Unsecured Loans from Directors	-	-
b	Term Loans from Banks :		
	- Vehicle Loan from HDFC Bank (Secured Against Hypothecation of Car with the Bank)	-	7.36
	- Vehicle Loan from Yes Bank (Secured Against Hypothecation of Car with the Bank)	15.05	49.07
c	CC/OD's from Banks		
	- OD from Kotak Mahindra Bank	270.32	442.40
	- Credit Card from Kotak Mahindra Bank	7.63	
d	Loan against Trade receivables	1,102.61	576.27
	<b>Total Borrowings</b>	<b>1,395.61</b>	<b>1,075.10</b>

### Note No. 18 : Other Current Liabilities

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Unpaid dividend	0.47	0.47
b	Statutory Liabilities	41.12	34.69
C	Interest Payable	1.14	
d	Salaries Payable	29.27	32.45
e	Transport Payable	2.18	27.25
f	Audit Fee Payable	6.90	5.40
g	Remuneration/Expenses payable to directors	135.52	131.01
	<b>Total Other Current Liabilities</b>	<b>216.60</b>	<b>231.27</b>

### Note No. 19 : Current Tax Liabilities(Net)

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Provision for Income Tax	147.00	450.73
	<b>Total Provisions</b>	<b>147.00</b>	<b>450.73</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 20 : Revenue From Operations

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
	<b>Revenue from operations</b>		
	(i) Sale of Services		
a	Domestic Sales	-	-
b	Export Sales	7,019.60	10,813.78
	<b>Total Revenue from Operations</b>	<b>7,019.60</b>	<b>10,813.78</b>

### Note No. 21 : Other Income

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Foreign Exchange gain/Loss	176.60	583.20
b	Discount Received	1.13	2.64
c	Interest Received	62.14	-
d	Damage Goods		74.57
	<b>Total Other Income</b>	<b>239.86</b>	<b>660.41</b>

### Note No. 22 : Cost of Material Consumed

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Cost of Material Consumed	5,648.77	8,209.51
	<b>Total Cost of Material Consumed</b>	<b>5,648.77</b>	<b>8,209.51</b>

### Note No. 23 : Employee Benefits Expense

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Salaries, wages and bonus	473.40	375.55
b	Other employee benefit expenses	26.31	28.58
C	Long term employee benefits	4.33	
	<b>Total Employee Benefit Expenses</b>	<b>504.04</b>	<b>404.13</b>

### Note No. 24 : Finance Costs

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	i) Interest Expenses		
	Interest on Vehicle Loan	7.41	30.83
	Interest on Term Loan	40.52	0.44
b	Interest on Lease	15.12	14.63
c	Bill Discounting Interest	91.07	
	<b>Total Finance Cost</b>	<b>154.12</b>	<b>45.90</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 25 : Administrative Expenses

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Bank charges	11.80	4.79
b	Rent	0.69	-
c	Repairs & maintenance	20.95	25.21
d	Advertising and business promotion expenses	13.37	20.94
e	Travelling expenses	67.97	67.32
f	Communication costs	2.63	4.36
g	Printing and stationery	39.72	27.96
h	Legal and professional fees	13.06	22.78
i	Payment to auditor (Refer details below)	6.50	5.00
j	Loss on sale of Assets	6.70	-
k	Listing Fees	5.51	7.62
l	Miscellaneous expenses	3.71	1.49
m	Registration Charges	41.18	84.94
n	Conveyance	1.95	0.94
o	Other Expenses	-	17.18
p	Fees & Subscription	43.25	63.90
q	Remuneration-Directors	14.00	89.00
r	CSR Expenses	41.83	33.04
s	Website development and Investor relations	0.60	32.75
t	Other Interest		
u	Power and Fuel	4.05	4.28
v	Insurance	3.70	4.55
	<b>Total Other Expenses</b>	<b>343.17</b>	<b>518.04</b>

### Note No. 26: Current Tax

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Current tax expense for current year	147.00	450.73
b	Tax expense pertaining to prior years	56.79	65.94
		<b>203.79</b>	<b>516.67</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Annexure to Note: 7a****Ageing for the FY 2023-24**

In ₹ Lakhs

Particulars	Outstanding for following periods from due date of payment					
	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	3,005.04	4,671.04	-	-	-	7,676.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	<b>3,005.04</b>	<b>4,671.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,676.08</b>

**Ageing analysis for the FY 2022-23**

Particulars	Outstanding for following periods from due date of payment					
	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	7,164.78	663.91	-	-	-	7,828.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	<b>7,164.78</b>	<b>663.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,828.69</b>

**Annexure to Note: 11**

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Ashish Maheshwari	1,80,774.00	1.66%	-
Minoshi Maheshwari	1,05,580.00	0.97%	-
Balaxi Overseas Private Limited	70,00,000.00	64.23%	-
	<b>72,86,354.00</b>	<b>66.86%</b>	

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Annexure to Note: 14

In ₹ Lakhs

Defined Benefit Obligations with respect to Gratuity		
	31-03-2024	31-03-2023
Defined benefit Obligation at the beginning of the year	-	-
Current Service Cost	4.33	-
Interest Cost	-	-
Remeasurements (gains)/ Losses	-	-
Benefits Paid	-	-
Past Service Cost adjustments	-	-
	-	-
Defined Benefit Obligation at the end of the year	4.33	-

### Annexure to Note: 16a

#### Ageing for the FY 2023-24

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,152.66	-	-	-	1,152.66
(ii) Others	91.69	-	-	-	91.69
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	1,244.35	-	-	-	1,244.35

#### Ageing analysis for the FY 2022-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,225.93	-	-	-	1,225.93
(ii) Others	500.14	-	-	-	500.14
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	1,726.07	-	-	-	1,726.07

## 27 Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Amount in Rupees)

Particulars	31-Mar-24	31-Mar-23
Profit after tax	3,65,02,846	16,22,22,179
Weighted average number of equity shares( For Basic EPS)	1,02,94,026	1,00,33,400
Weighted average number of equity shares ( For Diluted EPS)	1,03,14,200	1,01,23,100
Basic earnings per share for continued operations (in rupees)	3.55	16.17
Diluted earnings per share for continued operations (in rupees)	3.54	16.02

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 28 Segment information

The operating segment of the Group is identified as “Specialized Wholesale” as the Chief Operating Decision Maker reviews business performance at an overall level as one segment. Therefore, the entire operation fall within only one single reportable segment.

### 29 Related party transactions

#### A. Name of the related parties and related party relationship

##### a) Holding company

Balaxi Overseas Private Limited

##### b) Directors

Ashish Maheshwari  
Minoshi Maheshwari  
Gandhi Gamji  
Kunal M Bhakta  
M.Sreenivas rao  
Poornima Kamble

##### c) Key managerial personnel

Ashish Maheshwari	Managing Director
Amol Mantri	CFO
Mahesh Inani	Company Secretary
Pranav Maheshwari	Senior Vice President

##### d) Wholly Owned Subsidiary company

Balaxi Global DMCC, Dubai  
Balaxi Healthcare Ecuador

##### e) Step Down Subsidiary company

Balaxi Healthcare Dominicana S.R.L  
Balaxi Healthcare Guatemala, Sociedad Anonima  
Balaxi Healthcare Honduras S. DE R.L  
Balaxi Healthcare El Salvador SA DE  
Balaxi Healthcare Centrafrique SARL  
Balaxi Healthcare Angola LDA

#### B. Transactions with related parties

(₹ in Lakhs)

		31-Mar-24	31-Mar-23
Operating and administrative costs			
Reimbursement of Expenses to directors		26.79	40.56
Directors Remuneration		-	-
Ashish Maheshwari		80.00	80.00
Minoshi Maheshwari		-	9.00
Sitting Fee		14.00	17.00
KMP Salary		64.85	55.10
CSR		8.50	25.50
Capital contribution to Balaxi Global DMCC		-	(7.41)
Capital contribution to Balaxi Healthcare Ecuador		34.94	-
Loan repaid to Directors		-	100.00
Sales to Related Parties			
- Balaxi Global DMCC	Subsidiary	2,262.71	5,551.65
- Balaxi Healthcare Dominicana	Step Down Subsidiary	2,845.15	2,895.36
- Balaxi Healthcare Guatemala, S.A	Step Down Subsidiary	1,101.70	1,987.16
- Balaxi Healthcare Honduras S De R.L De C.V	Step Down Subsidiary	526.86	274.52
- Balaxi Healthcare El Salvador, S.A	Step Down Subsidiary	283.18	105.08

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 30 Capital Management

For the purpose of Company's capital management, Capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

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 loans and borrowings, trade and other payables, less cash and cash equivalents.

	(₹ in Lakhs)	
	31-Mar-24	31-Mar-23
Borrowings	1,395.61	1,075.10
Trade and other payables	1,460.95	1,957.34
Less: Cash and cash equivalents	(4,406.21)	(1,787.69)
Net Debt	(1,549.65)	1,244.75
Equity	11,777.40	8,180.96
Capital and Net Debt	10,227.75	9,425.72
Gearing Ratio	-15.15%	13.21%

### 31 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of

currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

#### Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

#### Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

### 32 MSME

The Company has entered into business transactions with suppliers registered under the Micro, Small and Medium Enterprises Development act, 2006 the payment for which have been made within the stipulated or agreed time.

### 33 Subsequent Events

There are no significant events that occurred after the balance sheet date.

### 34 Prior year comparatives

The figures of the previous year have been regrouped/ reclassified, where necessary, to confirm with the current year's classification.

### 35 Additional Regulatory Information

- i) Title deeds of Immovable Properties not held in name of the Company  
The Company is not in possession of any immovable property.
- ii) The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii) No loans and advances were granted to promoters, directors, KMPs and the related parties

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### iv) Capital work in Progress aging schedule In ₹ Lakhs

CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	(52.32)	225.96	57.20		230.84

- v) The company did not hold any Benammi Property and hence no proceedings were initiated or pending against the company
- vi) There are no borrowings from banks or financial institutions on the basis of current assets given as security.
- vii) The company was not declared as a wilful defaulter by any bank or financial institution.
- viii) The company did not enter into any transactions with struck off companies.

### ix) Ratios

	31-03-2024	31-03-2023
a) Current Ratio	4.09	2.84
(b) Debt-Equity Ratio	0.12	0.12
(c) Debt Service Coverage Ratio	7.68	39.91
(d) Return on Equity Ratio	0.33	20%
(e) Inventory turnover ratio	48.40	109.83
(f) Trade Receivables turnover ratio	0.91	1.66
(g) Trade payables turnover ratio	0.80	0.49
(h) Net capital turnover ratio	0.60	1.32
(i) Net profit ratio	5%	15%
(j) Return on Capital employed	6%	24%
(k) Return on investment.		

### 36 Undisclosed Income

All transactions were recorded in the books of accounts and there was no undisclosed income that has been surrendered or disclosed as income during the year.

### 37 Corporate Social Responsibility

	Amt in ₹ Lakhs
(i) amount required to be spent by the company during the year,	41.83
(ii) amount of expenditure incurred,	11
(iii) shortfall at the end of the year,	30.83
(iv) total of previous years shortfall,	23.5
(v) reason for shortfall,	Pertains to an Ongoing Project
(vi) nature of CSR activities,	Promotion of education, Healthcare and women empowerment
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Balaxi Foundation
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA

### 38 Details of Crypto Currency or Virtual Currency

The Company has not traded nor has invested in Crypto Currency or Virtual Currency during the financial year.

**For P Murali & Co.,  
Chartered Accountants  
Firm Registration No. 007257S**

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIH6926

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board  
Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Independent Auditor's Report

## on Consolidated Financial Statements

To the Members of

### M/s. Balaxi Pharmaceuticals Limited

#### Report on the Audit of the Consolidated IND AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of M/s. Balaxi Pharmaceuticals Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries i.e., M/s. Balaxi Global DMCC, Dubai and M/s. Balaxi Healthcare Ecuador S.A.S (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss (including Other Comprehensive income), the Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated IND AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated IND AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles Generally Accepted in India, of their consolidated state of affairs of the Company as at March 31, 2024, of consolidated loss, and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated IND AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

During the year the functional currency of Balaxi Healthcare, Angola (Angolan Kwanza i.e., AOA) has experienced a significant depreciation against the functional currency of Balaxi Global DMCC, Dubai (USD) during the year. The currency depreciation has resulted in considerable fluctuations in the reported Consolidated financial results and financial position of the group. The unrealised loss recognised in previous quarters has been experiencing reversals as, inventory lying in the books continues to be sold at substantially higher

value than the carrying value and profits will continue to be recognised as and when realised.

However, our opinion is unmodified in respect of the above matter.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated IND AS Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 IND AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated IND AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies included in the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the holding company are responsible for overseeing the financial reporting process of the Group.

#### Auditor's Responsibilities for the Audit of the Consolidated IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated IND AS 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 IND AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 IND AS 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 and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated IND AS Financial Statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated IND AS 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 IND AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated IND AS 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 IND AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter Paragraph**

The Consolidated Financial Results include the audited Financial Results of Balaxi Global DMCC, Dubai, a Wholly owned foreign subsidiary, whose Financial Statements reflect Group's share of total assets of ₹ 20,904.41 Lakhs as at 31st March 2024, Group's share of total revenue of ₹ 5,904.52 Lakhs and ₹ 19,795.52 Lakhs and Group's share of total net profit after tax of ₹ 1076.98 Lakhs and ₹ (1018.02) Lakhs for the quarter ended 31st March 2024 and for the period from 01-04-2023 to 31-03-2024 respectively, as considered in the consolidated Financial Results, which have been audited by their respective independent auditor. The independent auditors' reports on financial statements of this entity have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor.

The Consolidated Financial Results include the unaudited Financial Results of Balaxi Healthcare Ecuador S.A.S, a Wholly owned foreign subsidiary, whose Financial Statements reflect Group's share of total assets of ₹ 5.06 Lakhs as at 31st March 2024, Group's share of total revenue of ₹ 0.10 Lakhs and ₹ 0.10 Lakhs and Group's share of total net profit after tax of ₹ (12.77) Lakhs and ₹ (36.50) Lakhs for the quarter ended

31st March 2024 and for the period from 01-04-2023 to 31-03-2024 respectively, as considered in the consolidated Financial Results, which have been not been audited by their respective independent auditor. According to the information and explanations given to us by the Management, these financial statements / financial information / financial results are not material to the Group

Our opinion on the Consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other Auditor.

### Report on Other Legal and Regulatory Requirements

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 of the aforesaid Consolidated IND AS Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated IND AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated IND AS Financial Statements.
- (d) In our opinion, the aforesaid Consolidated IND AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 none of the directors of the Group companies, are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have any pending litigations as at March 31st, 2024 which would impact on consolidated financial position of the group.
  - ii. The group does not have any long term contracts, including derivate contracts and did not have any material foreseeable losses.
  - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year.
  - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or group companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company or group companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or group companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  - vii. The company has not declared or paid any dividend during the year.

### For P Murali & Co.,

Chartered Accountants  
Firm Regn No. 007257S

### A Krishna Rao

Partner  
Membership No. 020085  
UDIN: 24020085BKAUI03216

Place: Hyderabad

Date: 29-05-2024

# Annexure A

## to the Independent Auditor's Report

### Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

In conjunction with our audit of the Consolidated IND AS Financial Statements of the company as of and for the year ended 31st March 2024, we have audited the internal financial controls over financial reporting of M/s. Balaxi Pharmaceuticals Limited as at 31st March 2024. We have not audited the internal financial controls of the foreign subsidiaries.

### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiaries are 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 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 over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an Audit of Internal Financial Controls. These standards and guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk 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 and the company's internal financial control system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these 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 authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitation of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Holding Company, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March

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 on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For P Murali & Co.,**

Chartered Accountants  
Firm Regn No. 007257S

**A Krishna Rao**

Partner  
Membership No. 020085  
UDIN: 24020085BKAUI03216

Place: Hyderabad

Date: 29-05-2024

# Consolidated Balance Sheet

as at 31<sup>st</sup> March 2024

Particulars	Note No	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
<b>ASSETS:</b>			
<b>1 Non-Current Assets:</b>			
(a) Property, Plant and Equipment	3	1,477.82	1,618.39
(b) Capital Work-in-progress		230.84	283.16
(c) Goodwill		2,610.04	2,522.35
<b>(d) Financial Assets:</b>			
(i) Investments	4	-	-
(ii) Other Financial Assets		-	-
(e) Other Non Current Assets	5	498.44	191.91
<b>2 Current Assets:</b>			
<b>(a) Inventories</b>	6	8,216.80	10,502.33
<b>(b) Financial Assets:</b>			
(i) Trade Receivables	7	5,570.51	5,228.20
(ii) Cash and Cash Equivalents	8	6,229.06	2,821.68
(iii) Loans and Advances	9	190.11	164.76
(c) Other Current Assets	10	810.71	634.12
<b>Total Assets</b>		<b>25,834.32</b>	<b>23,966.90</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>1 Shareholder Funds</b>			
(a) Equity Share Capital	11	1,089.78	1,018.13
(b) Other Equity	12	18,669.33	16,240.16
(c) Money received against Share Warrants	13	377.28	1,029.69
<b>2 Share application money pending allotment</b>		-	-
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
<b>(a) Financial Liabilities:</b>			
(i) Borrowings		-	86.97
(ia) Lease Liabilities		174.32	168.58
(ii) Trade Payables			
(A) Dues to MSME			
(A) Dues to Other than MSME			
(b) Provisions	14	4.33	-
(c) Deferred Tax Liabilities (Net)	15	99.54	110.05
<b>2 Current Liabilities</b>			
<b>(a) Financial Liabilities:</b>			
(i) Trade Payables	16	2,903.84	3,451.92
(A) Dues to MSME			
(A) Dues to Other than MSME			
(ii) Borrowings	17	1,766.10	1,075.10
(b) Other Current Liabilities	18	461.51	280.64
(c) Provisions		-	-
(c) Current tax Liabilities (Net)	19	288.29	505.66
<b>Total</b>		<b>25,834.32</b>	<b>23,966.90</b>
<b>Summary of Significant Accounting Policies</b>	<b>2</b>		

The accompanying Notes are an Integral Part of the Financial Statements

As per our report of even date

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 0072575

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIG8176

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Consolidated Statement of Profit and Loss

## for the Year ended 31<sup>st</sup> March 2024

Particulars	Note No	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
I. Revenue from Operations	20	24,129.44	33,643.27
II. Other Income	21	(264.65)	263.69
<b>III. Total Income (I +II)</b>		<b>23,864.79</b>	<b>33,906.96</b>
IV. Expenses:			
Cost of material consumed		12,867.98	20,241.56
Employee Benefits expense	22	2,803.52	2,895.41
Finance costs	23	167.71	50.00
Depreciation and Amortization Expense	3	209.84	175.25
Administrative Expenses	24	3,784.87	4,852.52
<b>IV. Total Expenses</b>		<b>19,833.92</b>	<b>28,214.73</b>
V. Profit/(Loss) before exceptional items and tax (III - IV)		<b>4,030.87</b>	<b>5,692.23</b>
VI. Exceptional Items		<b>3,829.34</b>	-
VII. Profit/(Loss) before tax (V-VI)		<b>201.53</b>	<b>5,692.23</b>
VIII. Tax expense:			
(1) Current tax	25	450.74	989.81
(2) Deferred tax		(10.51)	106.17
IX. Profit/(Loss) for the period (VII-VIII)		<b>(238.70)</b>	<b>4,596.25</b>
X. Other Comprehensive Income.			
A. Items that will not be reclassified to Profit or Loss			
(i) Exchange (gain)/Loss on foreign currency transactions		491.89	(578.19)
(ii) Actuarial loss on defined benefit plans recognised in accordance with Ind AS 19.		-	-
B. Items that will be reclassified to Profit or Loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>(730.60)</b>	<b>5,174.44</b>
XI. Earnings per equity share (for continuing operation):	26		
(1) Basic		(2.32)	45.81
(2) Diluted		(2.31)	45.40
<b>Summary of Significant Accounting Policies</b>	<b>2</b>		

The accompanying Notes are an Integral Part of the Financial Statements

As per our report of even date

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 0072575

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIG8176

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Consolidated Cash Flow Statement

## for the year ended 31<sup>st</sup> March, 2024

Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	201.53	5,692.23
Adjustments for:		
Interest	167.71	50.00
Depreciation	209.84	175.25
Extraordinary Item		
Comprehensive income for the year	(491.89)	578.19
Operating Profit before working capital changes	87.18	6,495.66
Adjustments for:		
Increase/ (decrease) in trade payables	(548.08)	(1,580.74)
Increase/ (decrease) in other financial liabilities	180.87	75.57
Decrease / (increase) in other bank balance	-	(0.16)
Decrease / (increase) in advance	(25.35)	12.96
Decrease / (increase) in other receivables	(306.53)	(25.06)
Decrease / (increase) in trade receivables	(342.31)	(2,480.08)
Decrease / (increase) in Inventory	2,285.53	(631.97)
Decrease / (increase) in Other current asset	(176.59)	(49.30)
Cash generated from operations	1,154.72	1,816.89
Direct taxes paid (net of refunds)	(668.11)	(1,209.37)
Cash flow before extraordinary items	486.61	607.52
Extraordinary items	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>486.61</b>	<b>607.52</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(69.26)	(1,079.88)
Capital work in progress	52.32	(225.96)
Proceeds from Goodwill	(87.68)	(192.15)
Preliminary Expenses	-	(5.54)
Proceeds from other financial assets	-	-
Proceeds to Advances	-	446.99
Investment in Non-Current Investments	-	-
Net Cash Used In Investing Activities	(104.63)	(1,056.54)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest paid	(152.59)	(35.37)
Long Term Liabilities		
Loans taken	604.02	798.27
Lease Payments	(9.38)	(8.93)
Long Term Provisions	4.33	
Further Issue of Equity Share Capital incl. Premium	2,579.01	1,847.13
Dividend paid	-	(49.84)
Net Cash Flow From Financing Activities	3,025.39	2,551.26
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>3,407.38</b>	<b>2,102.24</b>
Cash and Cash equivalents ( Opening Balance)	2,821.21	718.97
Cash and Cash equivalents ( Closing Balance)	6,228.59	2,821.21
Unencashed Dividends in bank accounts	0.47	0.47
<b>Total Cash and Bank Balances</b>	<b>6,229.06</b>	<b>2,821.68</b>

As per our report of even date

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 007257S

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIG8176

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Minoshi Maheshwari**  
Director  
DIN: 01575975

Place : Hyderabad  
Date : 29-05-2024

**Amol Mantri**  
Chief Financial Officer

**Mahesh Inani**  
Company Secretary

# Statement of changes in equity

## for the year ended 31<sup>st</sup> March 2024

### A) Equity share capital

Equity shares of ₹ 10/- each issued, subscribed and fully paid

	Number of shares in Lakhs	₹ Lakhs
As at 31st March 2023	102	1,018
Changes in share capital	7	72
<b>As at 31st March 2024</b>	<b>109</b>	<b>1,090</b>

#### 1) Current Reporting Period

₹ Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,018.13	-	-	71.65	1,089.78

#### 2) Previous Reporting Period

₹ Lakhs

Balance at the beginning of the Previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Previous reporting period	Changes in equity share capital during the Previous year	Balance at the end of the Previous reporting period
1,000.00	-	-	18.13	1,018.13

**B) Other equity****1) Current Reporting Period**

₹ Lakhs

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through other comprehensive income	Equity instrument through other comprehensive instrument	Effective portion of cash flow hedges	Revaluation of surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves -General Reserve								
Balance at the beginning of reporting period	-	-	-	4.61	14,310.94	-	-	-	-	-	-	-	16,240.16
Changes in accounting policy or prior period errors	-	-	1,924.61	-	-	-	-	-	-	-	-	-	-
Changes in reserves	-	-	3,159.77	-	-	-	-	-	-	-	-	-	3,159.77
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(730.60)	-	-	-	-	-	-	-	(730.60)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	(730.60)	-	-	-	-	-	-	-	(730.60)
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the year	-	-	5,084.38	4.61	13,580.34	-	-	-	-	-	-	-	18,669.33

## 2) Previous Reporting Period

Rs Lakhs

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through other comprehensive income	Equity instrument through other comprehensive instrument	Effective portion of cash flow hedges	Revaluation of surplus	Exchange difference on translating the financial statements of a foreign operation	Other items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves -General Reserve								
Balance at the beginning of reporting period	-	-	-	1,125.30	4.61	9,186.50	-	-	-	-	-	-	10,316.41
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	5,174.44	-	-	-	-	-	-	5,174.44
Dividends	-	-	-	-	-	(50.00)	-	-	-	-	-	-	(50.00)
Transfer to retained earnings	-	-	-	-	-	5,124.44	-	-	-	-	-	-	5,124.44
Any other change (to be specified)	-	-	-	799.31	-	-	-	-	-	-	-	-	799.31
Balance at the end of the year	-	-	-	1,924.61	4.61	14,310.94	-	-	-	-	-	-	16,240.16

Summary of significant accounting policies

The accompanying notes form an integral part of the financial statements.

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**For P Murali & Co.,**  
**Chartered Accountants**  
**Firm Registration No. 0072575**

**A Krishna rao**

Partner  
 Membership No. 020085  
 UDIN: 24020085BKAUIG8176

Place : Hyderabad  
 Date : 29-05-2024

**Ashish Maheshwari**  
 Managing Director  
 DIN: 01575984

**Amol Mantri**  
 Chief Financial Officer

**Minoshi Maheshwari**  
 Director  
 DIN: 01575975

**Maresh Inani**  
 Company Secretary

# Notes to Consolidated financial statements

## for the year ended 31 March 2024

### 1.1 General Information

Balaxi Pharmaceuticals Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The Parent Company and subsidiary are referred to as "Company" for the purpose of this Consolidated Financial Statements. The Parent Company has a wholly owned foreign subsidiary Balaxi Global DMCC, Dubai. The registered office is located at Plot no.409, H.No. 82-293, Maps Towers, 3rd Floor, Phase III, Road No: 81, Jubilee Hills, Hyderabad, Telangana, India. The Company was incorporated in September 1942.

### 1.2 Basis of preparation of financial statements

### 1.3 Group information

The consolidated financial statements of the Group includes subsidiaries and step down subsidiaries listed in the table below:

Name of investee	Relationship	Country of incorporation	Percentage of ownership 31-03-2024
Balaxi Global DMCC, Dubai	Subsidiary	Dubai	100
Balaxi Healthcare Ecuador	Subsidiary	Ecuador	100
Balaxi Healthcare Dominica SRL, Dominican Republic	Step down Subsidiary	Dominican Republic	100
Balaxi Healthcare Guatemala S.A., Guatemala	Step down Subsidiary	Guatemala	100
Balaxi Healthcare Honduras S. DE R.L	Step down Subsidiary	Honduras	100
Balaxi Healthcare El Salvador SA DE	Step down Subsidiary	El Salvador	100
Balaxi Healthcare Angola LDA	Step down Subsidiary	Angola	100
Balaxi Healthcare Centrafrique SARL	Step down Subsidiary	Centrafrique	100

### 1.4 Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement

### 1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2024. The financial statements were authorised for issue by the Company's Board of Directors on May 29, 2024.

of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

- (iii) The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra Group assets, liabilities, income, expenses and unrealised profits/losses on intra-Group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 1.5 Functional and presentation currency

The financial statements are presented in Indian rupees Lakhs (Rounded off to thousands), which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee Lakhs (Rounded off to thousands) except share data, unless otherwise stated.

### 1.6 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- refer accounting policy regarding financial instruments

### 1.7 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### Assets:

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

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

#### Liabilities:

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

### 1.8 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

#### Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

#### Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2022 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

### 1.9 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 2 Significant accounting policies

### 2.1 Revenue recognition

The Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange of those products or services.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds
- Dividend income is accounted for when the right to receive the income is established, which is generally when shareholders approve the dividend.

- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 2.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 2.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company'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. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### 2.4 Borrowing costs

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

### 2.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial

recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 2.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

### 2.7 Property, plant and equipment

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

### 2.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

### 2.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company

The Company has componentised its PPE and has separately assessed the life of major components. The Company depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the date of deduction/disposal.

### 2.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

#### Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the

level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### 2.11 Inventories

Inventories are valued at lower of cost, determined on “Weighted average” basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials, fuel, stores & spare parts and packing materials:**

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.

- **Work-in- progress (WIP), finished goods and stock-in-trade:**

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 2.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

### 2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

### 2.14 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

### 2.15 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is 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 amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

### 2.16 Employee benefits

#### Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### Defined contribution plans

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's

contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

#### Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

#### Defined Benefit Plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The measurement date of retirement plans is March 31. The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method. The present value of the post-employment benefit obligations depends on a number of factors. The discounting rate used to calculate the Present of the defined benefit obligations is the incremental borrowing rate of the company. The Company does not have any plan assets as on 31-03-2024.

#### Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

### 2.17 Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### 2.18 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 2.19 Financial instruments

#### a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

#### b. Classification and Subsequent measurement

##### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

**Financial assets:** Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

**Financial assets:** Subsequent measurement and gains and losses

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains

and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Financial liabilities:** Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### c. Derecognition

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

### d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 3 Property, plant and Equipment

(₹ in Lakhs)

Particulars	Furniture & Fixtures	Computer and Printer	Office Equipments	Improvements To Leased Properties	Brands & Patents	Vehicles	Intangible Assets	ROU Asset	Total
<b>At 1 April 2023</b>	38.14	17.86	4.31	2.98	87.52	872.76	3.42	591.39	1,618.39
Additions	0.81	2.80	0.90	-	127.53	138.39	1.69	-	272.12
Disposals	-	-	-	-	-	32.20	-	-	32.20
Acquisitions through Business Combinations	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-
Exchange differences if any	(0.52)	(1.23)	-	-	(81.01)	(87.90)	-	-	(170.65)
<b>At 31 March 2024</b>	<b>38.44</b>	<b>19.44</b>	<b>5.21</b>	<b>2.98</b>	<b>134.05</b>	<b>891.04</b>	<b>5.11</b>	<b>591.39</b>	<b>1,687.66</b>
Depreciation charge for the year	6.59	6.78	1.77	2.46	60.42	112.41	0.93	18.48	209.84
Disposals	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>31.85</b>	<b>12.66</b>	<b>3.44</b>	<b>0.52</b>	<b>73.62</b>	<b>778.63</b>	<b>4.18</b>	<b>572.91</b>	<b>1,477.82</b>

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#### Note No. 4 : Investments

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Investments in Equity Instruments:		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	1) Balaxi Global DMCC-100% Holding	(0.00)	(0.00)
	Wholly owned subsidiary of the company.		
	2) Balaxi Healthcare Ecuador-100% Holding	-	-
	Wholly owned subsidiary of the company.		
	<b>Total Investments</b>	<b>(0.00)</b>	<b>(0.00)</b>

#### Note No. 5 : Other Non Current Assets

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	TDS	8.54	2.33
b	TCS	1.97	1.99
c	Advance Tax FY 2021-22	-	-
d	Advance Tax FY 2022-23	280.93	147.59
e	Advance Tax FY 2023-24	167.00	-
f	Prepaid expenditure	40.00	40.00
g	Fixed Deposits	-	-
	<b>Total- Income tax assets</b>	<b>498.44</b>	<b>191.91</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 6 : Inventory

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Stock of Finished Goods	8,216.80	10,502.33
	<b>Total Inventories</b>	<b>8,216.80</b>	<b>10,502.33</b>

### Note No. 7 : Trade Receivables

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	Unsecured, Considered Good		
a	Accounts Receivable	5,570.51	5,228.20
		5,570.51	5,228.20
	Less: Allowance for Doubtful Debts	-	-
b	Other Receivable	-	-
c	GST Refund	-	-
	<b>Total Trade Receivables</b>	<b>5,570.51</b>	<b>5,228.20</b>

### Note No. 8 : Cash And Cash Equivalents

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	<b>Cash and cash equivalents :</b>		
a	Balances with banks :		
	On Current Accounts	6,050.10	2,821.20
b	Cash on hand	178.50	0.01
	d) Others		
	Sub Total	<b>6,228.59</b>	<b>3,394.07</b>
c	Other bank balances	0.47	0.47
	<b>Total Cash and Cash Equivalents</b>	<b>6,229.06</b>	<b>2,821.68</b>

### Note No. 9 : Advances

		As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
	<b>Unsecured, Considered Good</b>		
a	Loans and Advances to Employees	6.53	10.40
b	Loans and Advances to Others	183.58	154.36
	<b>Total Loans -Current</b>	<b>190.11</b>	<b>164.76</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Note No. 9 : Other Current Assets**

	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a Prepayments	201.69	377.68
b Deposits	28.12	24.80
c Staff advance	6.38	4.03
d Tax refund receivables	129.48	107.26
e Other advances	445.04	120.35
f Preliminary expenses	-	-
<b>Total Loans -Current</b>	<b>810.71</b>	<b>634.12</b>

**Note No. 10 : Equity Share Capital**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Equity Share Capital		
	(a) Authorised (4,00,00,000 Shares of 10/- each )	-	-
		4,000.00	4,000.00
		<b>4,000.00</b>	<b>4,000.00</b>
	(b) Issued [1,01,81,250 Shares of 10/- each ]	-	-
		1,089.78	1,018.13
	(c) Subscribed & Fully Paid Up [1,01,81,250 Shares of 10/- each ]	-	-
		1,089.78	1,018.13
	<b>Total Equity Share capital</b>	<b>1,089.78</b>	<b>1,018.13</b>
II	<b>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>		
	<b>Equity Shares of ₹ 10Each, Fully paid up</b>		
	At the Beginning	101.81	100.00
	Issued during the year	7.17	-
	At the end	<b>108.98</b>	<b>100.00</b>
III	<b>Details of Shareholder holding more than 5% shares of the company:</b>	<b>% of Share Holding</b>	
	<b>Equity Shares of ₹ 10 each Held By</b>		
	Balaxi Overseas Private Limited (holding company) - 7000000 shares	69%	69%
	Elara India Opportunities Limited - 950000 shares	9.3%	9.3%
	Marshal Global Capital Fund Ltd - 950000 shares	9.3%	9.3%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 11 : Other Equity

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	<b>RESERVES AND SURPLUS</b>		
a)	Capital reserve		
	As at the commencement of the year		
	Add: Additions during the year		
	Less: Utilised for during the year		
		-	-
b)	Capital Redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year		
	Less: Utilised for during the year	-	-
		-	-
c)	Securities Premium		
	As at the commencement of the year	1,924.61	1,924.61
	Add: Additions during the year	3,159.77	-
	Less: Utilised for during the year	-	-
		5,084.38	1,924.61
d)	General reserve		
	As at the commencement of the year	4.61	4.61
	Add: Additions during the year	-	-
	Less: Utilised for during the year		
		4.61	4.61
e)	Revaluation reserve	-	-
f)	Share options outstanding account	-	-
c)	Retained Earnings :		
i)	Opening Balance - Statement of Profit and Loss	14,310.94	9,186.50
	Add: Transfer from Statement of Profit & Loss	(730.60)	5,174.44
	Less: Dividend	-	50.00
		<b>13,580.34</b>	<b>14,310.94</b>
		<b>13,580.34</b>	<b>14,310.94</b>
	<b>Total Other Equity</b>	<b>18,669.33</b>	<b>16,240.16</b>

### Note No. 13: Money Received against Share Warrants

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Money Received against Share Warrants	377.28	1,029.69
	<b>Total Money Received against Share Warrants</b>	<b>377.28</b>	<b>1,029.69</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****Note No. 14: Non- Current Provisions**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Pv of defined Benefit Obligations	4.33	-
	<b>Total Non- Current Provisions</b>	<b>4.33</b>	<b>-</b>

**Note No. 15: Deferred Tax Liability ( Net )**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
I	Opening Deferred tax Liability	110.05	3.88
	Add:		
	Deferred Tax Liability for the year	(10.51)	106.17
	<b>Gross Deferred tax Liability</b>	<b>99.54</b>	<b>110.05</b>
	Opening Deferred tax Asset	-	-
	Deferred Tax Asset for the year	-	-
	<b>Gross Deferred tax Asset</b>	<b>-</b>	<b>-</b>
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>99.54</b>	<b>110.05</b>

**Note No. 16 : Trade Payables**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Trade Payables		
	To MSMEs	1,152.66	1,225.93
	Others	1,751.17	2,225.99
	<b>Total Trade Payables</b>	<b>2,903.84</b>	<b>3,451.92</b>

**Note No. 17 : Borrowings**

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Unsecured Loans from Directors	-	-
b	Term Loans from Banks :		
	- Vehicle Loan from HDFC Bank (Secured Against Hypothecation of Car with the Bank)	-	7.36
	- Vehicle Loan from Yes Bank	15.05	49.07
c	CC/OD's from Banks		
	- OD from Kotak Mahindra Bank	270.32	442.40
	- Credit Card from Kotak Mahindra Bank	7.63	
d	Loan against Trade receivables	1,473.09	576.27
	<b>Total Provisions</b>	<b>1,766.10</b>	<b>1,075.10</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 18 : Other Current Liabilities

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Unpaid dividend	0.47	0.47
b	Statutory Liabilities	92.54	84.06
c	Interest Payable	1.14	-
d	Salaries Payable	210.08	32.45
e	Transport Payable	2.18	27.25
f	Audit Fee Payable	10.88	5.40
g	Other Payable	8.70	
h	Remuneration/Expenses payable to directors	135.52	131.01
	<b>Total Other Current Liabilities</b>	<b>461.51</b>	<b>280.64</b>

### Note No. 19 : Current Tax Liabilities(Net)

S. No.	Particulars	As on 31-03-2024 (₹ in Lakhs.)	As on 31-03-2023 (₹ in Lakhs.)
a	Provision for Income Tax	288.29	505.70
	<b>Total Provisions</b>	<b>288.29</b>	<b>505.70</b>

### Note No. 20 : Revenue From Operations

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
	<b>Revenue from operations</b>		
	(i) Sale of goods	24,129.44	33,643.27
a	(i) Sale of Services	-	-
	<b>Total Revenue from Operations</b>	<b>24,129.44</b>	<b>33,643.27</b>

### Note No. 21 : Other Income

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Foreign Exchange gain/Loss	(327.92)	186.48
b	Discount Received	1.13	2.64
c	Other Income	62.14	
d	Damage Goods	-	74.57
	<b>Total Other Income</b>	<b>(264.65)</b>	<b>263.69</b>

### Note No. 22 : Employee Benefits Expense

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Salaries, wages and bonus	2,772.89	2,866.83
b	Other employee benefit expenses	26.31	28.58
c	Long term employee benefits	4.33	-
	<b>Total Employee Benefit Expenses</b>	<b>2,803.52</b>	<b>2,895.41</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 23 : Finance Costs

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	i) Interest Expenses		
	Interest on Vehicle Loan	4.64	34.93
	Interest on Term Loan	56.87	0.44
b	Interest on Lease	15.12	14.63
c	Bill Discounting Interest	91.07	-
	<b>Total Finance Cost</b>	<b>167.71</b>	<b>50.00</b>

### Note No. 24 : Administrative Expenses

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Bank charges	108.92	87.70
b	Rent	789.30	990.88
c	Repairs & maintenance	20.95	474.77
d	Advertising and business promotion expenses	65.52	84.07
e	Travelling expenses	286.09	291.23
f	Communication costs	41.16	39.53
g	Printing and stationery	102.63	93.51
h	Legal and professional fees	353.43	313.56
i	Payment to auditor (Refer details below)	6.50	5.00
j	Loss on sale of Assets	6.70	-
k	Listing Fees	5.51	7.62
l	Miscellaneous expenses	1,140.38	1,119.40
m	Product Registration Charges	41.18	84.94
n	Conveyance	679.41	974.85
o	Other Expenses	-	17.18
p	Fees & Subscription	43.25	63.90
q	Remuneration-Directors	14.00	89.00
r	CSR Expenses	41.83	33.04
s	Investor relations Expenses	0.60	32.75
t	Other Interest	-	-
u	Power and Fuel	4.05	28.16
v	Insurance	33.47	21.42
		-	-
	<b>Total Other Expenses</b>	<b>3,784.87</b>	<b>4,852.52</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Note No. 25: Current Tax

S. No.	Particulars	Year Ended 31-03-2024 (₹ in Lakhs.)	Year Ended 31-03-2023 (₹ in Lakhs.)
a	Current tax expense for current year	393.95	923.87
b	Tax expense pertaining to prior years	56.79	65.94
		<b>450.74</b>	<b>989.81</b>

### Annexure to Note: 7a

In ₹ Lakhs

Particulars	Outstanding for following periods from due date of payment					
	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	4,527.41	1,043.10	-	-	-	5,570.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	<b>4,527.41</b>	<b>1,043.10</b>	-	-	-	<b>5,570.51</b>

### Annexure to Note: 11

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Ashish Maheshwari	1,80,774.00	1.66%	-
Minoshi Maheshwari	1,05,580.00	0.97%	-
Balaxi Overseas Private Limited	70,00,000.00	64.23%	-

### Annexure to Note: 14

In ₹ Lakhs

Defined Benefit Obligations with respect to Gratuity		
	31-03-2024	31-03-2023
Defined benefit Obligation at the beginning of the year	-	-
Current Service Cost	4.33	-
Interest Cost	-	-
Remeasurements (gains)/ Losses	-	-
Benefits Paid	-	-
Past Service Cost adjustments	-	-
	-	-
<b>Defined Benefit Obligation at the end of the year</b>	<b>4.33</b>	<b>-</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Annexure to Note: 16a

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,152.66	-	-	-	1,152.66
(ii) Others	1,751.17	-	-	-	1,751.17
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	<b>2,903.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,903.84</b>

### 26 Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Amount in Rupees)

Particulars	31-03-2024	31-03-2023
Profit after tax	-2,38,70,440	45,96,24,849
Weighted average number of equity shares( For Basic EPS)	1,02,94,026	1,00,33,400
Weighted average number of equity shares ( For Diluted EPS)	1,03,28,336	1,01,23,100
Basic earnings per share for continued operations (in rupees)	-2.32	45.81
<b>Diluted earnings per share for continued operations (in rupees)</b>	<b>-2.31</b>	<b>45.40</b>

### 27 Segment information

The operating segment of the Group is identified as "Specialized Wholesale" as the Chief Operating Decision Maker reviews business performance at an overall level as one segment. Therefore the entire operation fall within only one single reportable segment.

### 28 Related party transactions

#### A. Name of the related parties and related party relationship

##### a) Holding company

Balaxi Overseas Private Limited

##### b) Directors

Ashish Maheshwari  
Minoshi Maheshwari  
Gandhi Gamji  
Kunal M Bhakta  
M.Sreenivas rao  
Poornima Kamble

#### c) Key managerial personnel

Ashish Maheshwari Managing Director

Amol Mantri CFO

Mahesh Inani Company Secretary

Pranav Maheshwari Senior Vice President

#### d) Wholly Owned Subsidiary company

Balaxi Global DMCC, Dubai

Balaxi Healthcare Ecuador

#### e) Step Down Subsidiary company

Balaxi Healthcare Dominicana S.R.L

Balaxi Healthcare Guatemala, Sociedad Anonima

Balaxi Healthcare Honduras S. DE R.L

Balaxi Healthcare El Salvador SA DE

Balaxi Healthcare Centrafrique SARL

Balaxi Healthcare Angola LDA

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### B. Transactions with related parties

(₹ in Lakhs)

Operating and administrative costs	31-Mar-24	31-Mar-23
<b>Balaxi Overseas Pvt Ltd</b>		
Rent	-	-
Reimbursement of Expenses to directors	26.79	40.56
<b>Directors Remuneration</b>	-	-
Ashish Maheshwari	80.00	80.00
Minoshi Maheshwari	-	9.00
Sitting Fee	14.00	17.00
KMP Salary	64.85	55.10
CSR	8.50	25.50
Capital contribution to Balaxi Global DMCC	-	(7.41)
Capital contribution to Balaxi Healthcare Ecuador	34.94	-
Loan from Directors	-	-
Loan repaid to Directors	-	100.00
Subsidiaries		
KMP Salary with the subsidiary companies	252.48	233.69

### 29 Capital Management

For the purpose of Company's capital management, Capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

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 loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

	31-Mar-24	31-Mar-23
Borrowings	1,766.10	1,075.10
Trade and other payables	3,365.35	3,732.56
Less: Cash and cash equivalents	(6,229.06)	(2,821.68)
<b>Net Debt</b>	<b>(1,097.61)</b>	<b>1,985.98</b>
Equity	19,759.11	17,258.29
<b>Capital and Net Debt</b>	<b>18,661.50</b>	<b>19,244.27</b>
<b>Gearing Ratio</b>	<b>-5.88%</b>	<b>10.32%</b>

### 30 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2020.

### Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

### Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

### 31 MSME

The Company has not entered into any business transactions nor has borrowed any amounts from suppliers registered under the Micro, Small and Medium Enterprises Development act, 2006.

### 32 Subsequent Events

There are no significant events that occurred after the balance sheet date.

### 33 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

### 34 Additional Regulatory Information

#### i) Title deeds of Immovable Properties not held in name of the Company

The Company is not in possession of any immovable property.

#### iii) The Company has not revalued any of its Property, Plant and Equipment during the year.

- v) No loans and advances were granted to promoters, directors, KMPs and the related parties

CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	(52.32)	225.96	57.20		230.84

- viii) The company did not hold any Benami Property and hence no proceedings were initiated or pending against the company

- ix) There are no borrowings from banks or financial institutions on the basis of current assets given as security.

- x) The company was not declared as a wilful defaulter by any bank or financial institution.

- xi) The company did not enter into any transactions with struck off companies.

### xiv) Ratios

	31/03/2024	31/03/2023
a) Current Ratio	3.88	3.64
(b) Debt-Equity Ratio	0.29	0.33
(c) Debt Service Coverage Ratio	45.92	91.22
(d) Return on Equity Ratio	-1%	27%
(e) Inventory turnover ratio	1.37	1.99
(f) Trade Receivables turnover ratio	4.47	8.43
(g) Trade payables turnover ratio	0.64	0.49
(h) Net capital turnover ratio	1.22	1.95
(i) Net profit ratio	-1%	14%
(j) Return on Capital employed	21%	31%
(k) Return on investment.	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

### 35 Undisclosed Income

All transactions were recorded in the books of accounts and there was no undisclosed income that has been surrendered or disclosed as income during the year.

	Amount (₹)
(i) amount required to be spent by the company during the year,	41.83
(ii) amount of expenditure incurred,	11
(iii) shortfall at the end of the year,	30.83
(iv) total of previous years shortfall,	23.5
(v) reason for shortfall,	NA
(vi) nature of CSR activities,	Promotion of education, Healthcare and women empowerment
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Balaxi Foundation
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA

### 37 Details of Crypto Currency or Virtual Currency

The Company has not traded nor has invested in Crypto Currency or Virtual Currency during the financial year.

**For P Murali & Co.,**  
Chartered Accountants  
Firm Registration No. 007257S

**A Krishna rao**  
Partner  
Membership No. 020085  
UDIN: 24020085BKAUIG8176

Place : Hyderabad  
Date : 29-05-2024

**For and on behalf of the Board**  
**Balaxi Pharmaceuticals Limited**

**Ashish Maheshwari**  
Managing Director  
DIN: 01575984

**Amol Mantri**  
Chief Financial Officer

**Minoshi Maheshwari**  
Director  
DIN: 01575975

**Mahesh Inani**  
Company Secretary

# Notice

## of the 81<sup>st</sup> Annual General Meeting

Notice is hereby given that the 81<sup>st</sup> Annual General Meeting ("AGM") of the members of Balaxi Pharmaceuticals Limited ("the Company") will be held on **Friday, August 23, 2024**, at **11:30 a.m. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### Ordinary Business:

#### Item No. 1 – Adoption of Audited Standalone Financial Statements:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

#### Item No. 2 – Adoption of Audited Consolidated Financial Statements:

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the report of the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the report of the Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

#### Item No. 3 – Re-appointment of Mrs. Minoshi Maheshwari (DIN: 01575975) as a director, liable to retire by rotation:

To appoint a director in place of Mrs. Minoshi Maheshwari (DIN: 01575975), who retires by rotation and being eligible, seeks re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mrs. Minoshi Maheshwari (DIN: 01575975), who retires by rotation at this meeting and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

By Order of the Board of Directors  
**For Balaxi Pharmaceuticals Limited**

**Mahesh Inani**  
(Company Secretary and Compliance Officer)  
Membership No.: A37577

Date: May 29, 2024  
Place: Hyderabad

**Registered Office:** Plot No. 409,  
H. No. 8-2-293, Maps Towers,  
3<sup>rd</sup> Floor, Phase – III, Road No. 81,  
Jubilee Hills, Hyderabad (T.G.) – 500 098  
**CIN:** L25191TG1942PLC121598  
**Website:** [www.balaxipharma.in](http://www.balaxipharma.in)  
**Email:** [secretarial@balaxi.in](mailto:secretarial@balaxi.in)  
**Telephone:** +91 40 23555300

**Notes:**

1. Pursuant to General Circular nos. 14/2020 and 17/2020 dated April 8, 2020, April 13, 2020, read with other relevant circulars, including General Circular No. 9/2023 dated September 25, 2023, respectively, issued by the Ministry of Corporate Affairs ("MCA") and Circular no. 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 permitted to hold the General Meetings through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the aforesaid Circulars, the Annual General Meeting ("AGM") of the Members of the Company is being held through VC/ OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The VC/OAVM facility for Members to join the meeting, shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 15 minutes after closure of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this Notice.
3. 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 ("SEBI Listing Regulations"), read with aforesaid circulars, 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 voting during the AGM will be provided by NSDL.
4. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment (as set out in item no. 3) at this AGM is provided as an Annexure to this Notice.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the aforesaid Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Aarthi Consultants private limited, 1-2-285, Domalguda, Hyderabad-500029, email: info@aarthiconsultants.com for assistance in this regard.
7. To promote green initiative, Members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with Aarthi Consultants private limited, in case the shares are held in physical form.
8. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD1/P/CIR/2023/37 dated March 16, 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/ MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024), in supersession of earlier Circular(s), has prescribed common and simplified norms for processing investor service requests by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details
9. As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details. Physical folios wherein the said details are not available would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from April 1, 2024 upon registering the required details.
10. The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC, and nomination details. Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.
11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 20, 2024 through email on Secretarial@balaxi.com. The same will be replied by the Company suitably.
12. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to

claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to Corporate Governance Report which is a part of the Integrated Annual Report.

13. In compliance with the aforesaid circulars, Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report for the financial year 2023-24 will also be available on the Company's website [www.balaxipharma.in](http://www.balaxipharma.in) website of the Stock Exchange i.e. National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com) respectively and NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) . Members whose email IDs are not registered with the Company/Depositories are requested to follow the process provided for registration of email IDs with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this Notice.
14. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Tuesday, August 20, 2024 at 9:00 A.M (IST) and ends on Thursday, August, 22, 2024 at 5:00 P.M(IST). 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. August 16,2024 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 August 16, 2024.**

#### **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.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ol>

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.
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**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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**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
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 use 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'.

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.*

- (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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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 [yogi@directus.co.in](mailto:yogi@directus.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) & [Secretarial@balaxi.in](mailto:Secretarial@balaxi.in). 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](http://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](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Swapneel at [evoting@nsdl.com](mailto: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 [secretarial@balaxi.in](mailto:secretarial@balaxi.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 [secretarial@balaxi.in](mailto:secretarial@balaxi.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](mailto: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 EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/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 [secretarial@balaxi.in](mailto:secretarial@balaxi.in). The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [secretarial@balaxi.in](mailto:secretarial@balaxi.in) till August 16, 2024. Those Members who have registered themselves as a speaker will only 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
7. 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.
8. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on August 16, 2024. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
9. The Company at its Board meeting dated May29,2024 has appointed Mr. Yoginath S, Designated partner of BVR & Associates company Secretaries LLP, as the Scrutinizer to the e-voting process and voting at the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
10. The scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three days from the conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
11. The scrutiniser shall submit his report to the Chairman or his delegate, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website: [www.balaxipharma.in](http://www.balaxipharma.in) and shall also be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 23, 2024.

By Order of the Board of Directors  
**For Balaxi Pharmaceuticals Limited**

**Mahesh Inani**  
(Company Secretary and Compliance Officer)  
Membership No.: A37577

Date: May 29, 2024

Place: Hyderabad

**Registered Office:** Plot No. 409,  
H. No. 8-2-293, Maps Towers,  
3<sup>rd</sup> Floor, Phase – III, Road No. 81,  
Jubilee Hills, Hyderabad (T.G.) – 500 098  
**CIN:** L25191TG1942PLC121598  
**Website:** [www.balaxipharma.in](http://www.balaxipharma.in)  
**Email:** [secretarial@balaxi.in](mailto:secretarial@balaxi.in)  
**Telephone:** +91 40 23555300

**ANNEXURE – I****Details of Directors seeking reappointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings**

S. No.	Name of the Director	Mrs. Minoshi Maheshwari
1.	DIN	01575975
2.	Date of Birth	July 08, 1972
3.	Age	51
4.	Date of first appointment on the Board	May 04, 2017
5.	Expertise in specific functional area	Business Administration, International Trade, Expertise in Pharma Sector
6.	Qualifications	Bachelor of Commerce (Hons.) from Osmania University
7.	Experience	Mrs. Minoshi has more than two decades of experience in International Trade, Administration and Business Management.
8.	Terms and Conditions of appointment/ reappointment	Re-appointment as a Director liable to retire by rotation
9.	Directorship/ Committee Chairpersonship/ Committee Membership held in other Listed Companies	Nil
10.	Directorship held in other Companies (excluding listed companies)	1) Balaxi Overseas Private Limited 2) Balaxi Capital Holdings Private Limited
11.	Chairpersonship/ Membership of the Committees of other Companies (excluding listed companies)	Nil
12.	Shareholding in the Company including Shareholding as a beneficial owner	1,05,580 Equity Shares aggregating to 0.98% of the total shareholding of the Company.
13.	Relationships with other Directors/ KMPs	Spouse of Mr. Ashish Maheshwari, Managing Director and Mother of Mr. Pranav Maheshwari, Senior Vice President – Business Development (KMP).
14.	Resignation from the directorship of listed companies in the past three years	None
15.	Number of meetings of the Board attended during the year	During the Financial Year 2023-24, 5 meetings of the Board of Directors were held. Mrs. Minoshi attended all the meetings.
16.	Skills and Capabilities required for the role and the manner in which the Independent Director meets such requirements	Reappointment as a director liable to retire by rotation. She is a Non – Independent Director.

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By Order of the Board of Directors  
**For Balaxi Pharmaceuticals Limited**

**Mahesh Inani**  
(Company Secretary and Compliance Officer)  
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**CIN:** L25191TG1942PLC121598  
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Jubilee Hills, Road No: 81,  
Hyderabad, Telangana- 500096.

Website: [www.balaxipharma.in](http://www.balaxipharma.in)