



Valiant Laboratories
Limited
ESTD. 1980

Building Trust, Upholding Legacy and Delivering **Value**



ANNUAL REPORT
2023-24

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report online



To know more about
the company, log on to
<https://valiantlabs.in>

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Forward-looking statement

Some information in this report may contain forward-looking statements. We have based these statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by futuristic words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will' or other similar words. These statements may include assumptions or basis underlying the futuristic statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that these statements might vary from actual results, and the differences between the results implied by the statements and actual results can be material, depending on the circumstances.

Building Trust, Upholding Legacy and Delivering Value

At Valiant Laboratories, our story began from humble beginnings in 1980. Since then, we have grown into a prominent Indian manufacturer of Active Pharmaceutical Ingredients (APIs), specialising in Paracetamol API/ Bulk drugs. We operate on a robust business model that synergises deep-domain expertise with a consistent innovation to meet changing customer demands.

Backed by a legacy spanning four decades and a dedication to product quality and safety, we have emerged as a reliable supplier to marquee clients. Our manufacturing facilities employ advanced equipment and cutting-edge technologies to cater to evolving customer needs.

We maintain a persistent emphasis on innovation, not simply to fuel our growth but also to address the unmet needs of our clients. Our visionary leadership drives this relentless pursuit of excellence and offer the right strategic guidance to steer our organisation towards long-term success.

Looking ahead, we aim to become the 'Valiant of Tomorrow' by expanding our capabilities, fortifying our market position and stay ahead of the curve. Embodying the spirit of adaptability and innovation, we are consistently undertaking targeted R&D projects to identify newer molecules. Armed with a proficient team, healthy bottom line and experienced leadership, we are committed to building trust, upholding our legacy and delivering sustainable value to all our stakeholders.



Where Expertise Meets Innovation

With a legacy spanning four decades, we, Valiant Laboratories, have established our position in the market as one of the trusted names in the production of paracetamol. We have travelled a long path, transitioning from a partner company in 1980 to a public limited company in 2021, expanding our footprint and meeting the diverse needs of a wider audience.

Our state-of-the-art facility in Palghar, Maharashtra, equipped with advanced equipment, adheres to stringent quality measures and regulatory requirements such as the [Good Manufacturing Practices \(GMP\)](#) and [ISO 9001: 2015](#) certifications.

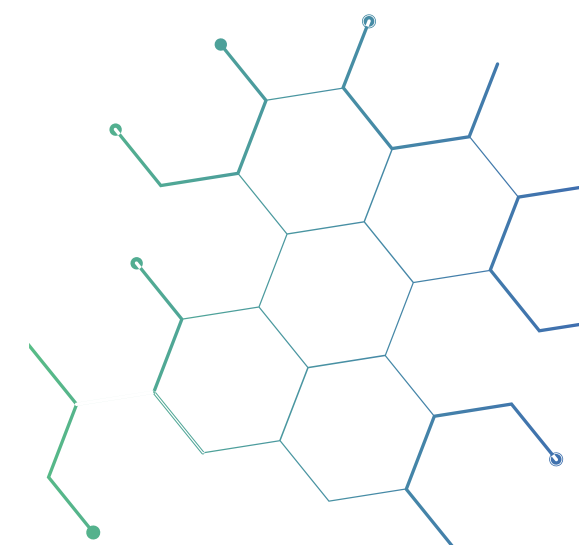
We have always remained at the forefront of innovation, consistently seeking opportunities to improve. We are equipped with all the resources to refine our existing paracetamol production processes.

At Valiant Laboratories, we ensure that we do not just cater to today's requirements but we are also armed to adapt to the ever-changing market landscape. We are exploring different possibilities to optimise production and achieve potential advancements in paracetamol manufacturing.

₹ 18,205.24 Lakhs
Revenue

₹ 127.32 Lakhs
EBITDA

₹ 34.03 Lakhs
PAT





Vision

Valiant Laboratories aims to establish itself as the foremost supplier of bulk drugs, achieving leadership through:

- Consistently delivering superior quality products punctually and at competitive prices.
- Prioritizing customer satisfaction through continuous technological advancement, ethical business practices, and innovative product development.
- Implementing cost-effective and safe processes supported by cutting-edge technologies.
- Embracing the most efficient and adaptable manufacturing practices and methods to ensure operational excellence.
- Maintaining a steadfast commitment to sustainability, community responsibility, and employee well-being.



Mission

Valiant Laboratories is dedicated to diversifying into new chemistries and industries, increasing our market share, and optimizing operational efficiencies through the backward integration of our proposed facility.

We are committed to expanding our footprint in foreign and regulated markets while delivering innovative solutions that address global healthcare challenges.

Upholding the highest standards of quality and ethical practices, we foster long-term partnerships and sustainable growth. Our mission is to pioneer advancements in pharmaceuticals, ensuring accessible and effective healthcare solutions worldwide.

“Inspiring Values, driving innovation and delivering excellence through our Mission.”



MD's Message

“

Despite facing significant challenges in the global economic climate, particularly within the active pharmaceutical manufacturing sector, Valiant remains focused on overcoming these hurdles and positioning ourselves for future success.

”



Dear Shareholders,

Reflecting on the past year at Valiant Laboratories fills me with a profound sense of optimism and determination. Despite facing significant challenges in the global economic climate, particularly within the active pharmaceutical manufacturing sector, Valiant remains focused on overcoming these hurdles and positioning ourselves for future success.

The year began with a decline in demand for our core product, paracetamol, compared to the COVID-induced surge witnessed the previous year. This, coupled with increased production capacity in China, led to price erosion for raw materials. Domestically, the influx of new players and expanded capacities from existing ones resulted in oversupply, especially in the Paracetamol market, which impacted our financial performance. We also faced intense price competition in the Indian market, further pressuring our margins.

Paracetamol Market Dynamics.

Pre-COVID, the global and domestic demand for paracetamol was stable, driven by its widespread use as an over-the-counter analgesic. During the pandemic, demand surged dramatically due to its use in treating

COVID-19 symptoms, resulting in unprecedented growth for Valiant and other manufacturers. However, as the pandemic subsided, demand normalized, leading to a significant drop from the peak levels witnessed during COVID-19. In FY24, this normalization, combined with increased production capacity and price competition, significantly impacted our revenue and margins.

Financial Performance and Strategic Response

Our financial results for FY24 reflect these challenges. Despite a decrease in revenue and margins, we are implementing strategic initiatives to drive future growth and diversification.

Commitment to Quality and Innovation

Our unwavering commitment to quality is the cornerstone of our success. We maintain a stringent Quality Control (QC) and Quality Assurance (QA) framework, ensuring adherence to all necessary Good Manufacturing Practices (GMP) and FDA regulations. This dedication to excellence has resulted in an impeccable track record with the FDA and underscores our promise to deliver superior products to our customers.

“

I express my heartfelt gratitude to all our shareholders for your continued trust and support. At Valiant, we are confident that our dedication to innovation, operational excellence, and a customer-centric approach will continue to deliver value for you in the years ahead.

”

In response to recent challenges, we are actively pursuing initiatives that will secure a brighter future. One such initiative is the establishment of a subsidiary company dedicated to research and development (R&D) in specialty chemicals, specifically ketene and diketene derivatives. This venture holds immense potential for diversification. The subsidiary operates a pilot plant where we conduct R&D and gather customer feedback on over a dozen new products currently under development. These efforts will enable us to expand our product portfolio beyond paracetamol, thereby reducing our reliance on a single revenue stream.

Prioritizing Employee Health and Safety

Employee safety is paramount at Valiant. We go beyond routine studies and equipment checks to ensure a safe working environment. Our pilot plant is a crucial asset, allowing us to thoroughly analyse products and their associated hazards. The insights gained from this research guide the design and operation of our future large-scale plant, enabling us to develop comprehensive Standard Operating Procedures (SOPs). These SOPs are instrumental in minimizing accident risks and ensuring the well-being of our dedicated team.

Strategic Goals and Future Prospects

Moving forward, we aim to utilize our considerable experience and knowledge to explore opportunities in regulated markets in the near future. We are prepared to upgrade our existing facilities to meet the stringent standards required by these markets. The potential rewards are significant, as regulated markets offer

considerably higher margins, allowing us to alleviate current price pressures on paracetamol.

As we advance, the theme of our annual report, “Building Trust, Upholding the Long Legacy, Delivering Value,” remains deeply significant. For over four decades, Valiant has built a reputation for quality and reliability. We have weathered numerous storms, emerging stronger each time. This year is no different. Our commitment to quality, coupled with our R&D efforts and strategic expansion plans, positions us for a prosperous future.

In closing, I express my heartfelt gratitude to all our shareholders for your continued trust and support. At Valiant, we are confident that our dedication to innovation, operational excellence, and a customer-centric approach will continue to deliver value for you in the years ahead. We are excited about the future and committed to building upon our rich legacy, ensuring sustained growth and success. Thank you for being an integral part of our journey.

Sincerely,

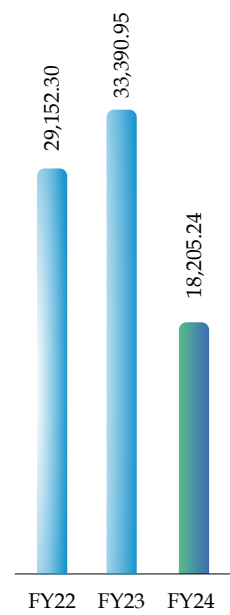
Mr. Santosh S. Vora

(Managing Director)

Financial Performance

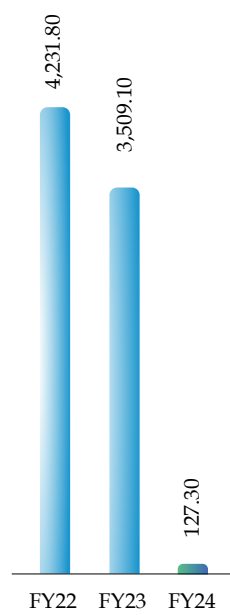
Revenue (₹ in lakhs)

-45 % YoY Growth



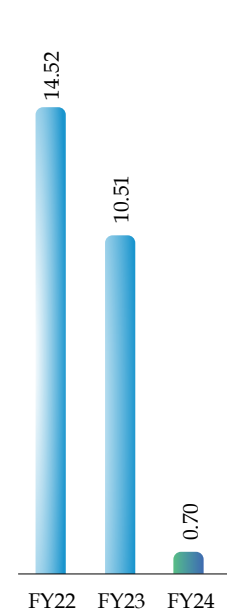
EBITDA (₹ in lakhs)

-96 % YoY Growth



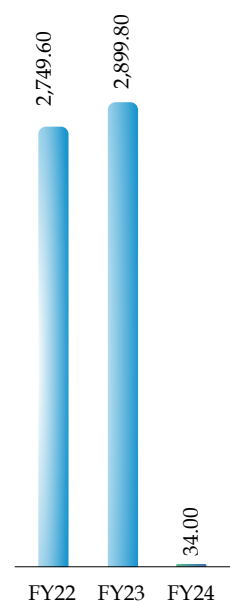
EBITDA Margin (%)

-93 % YoY Growth



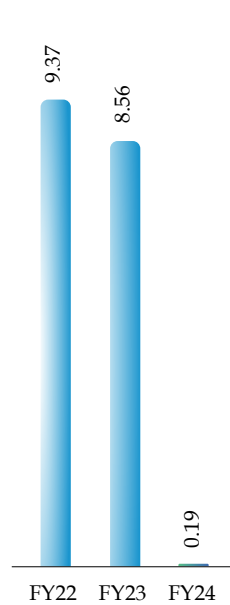
PAT (₹ in lakhs)

-99 % YoY Growth



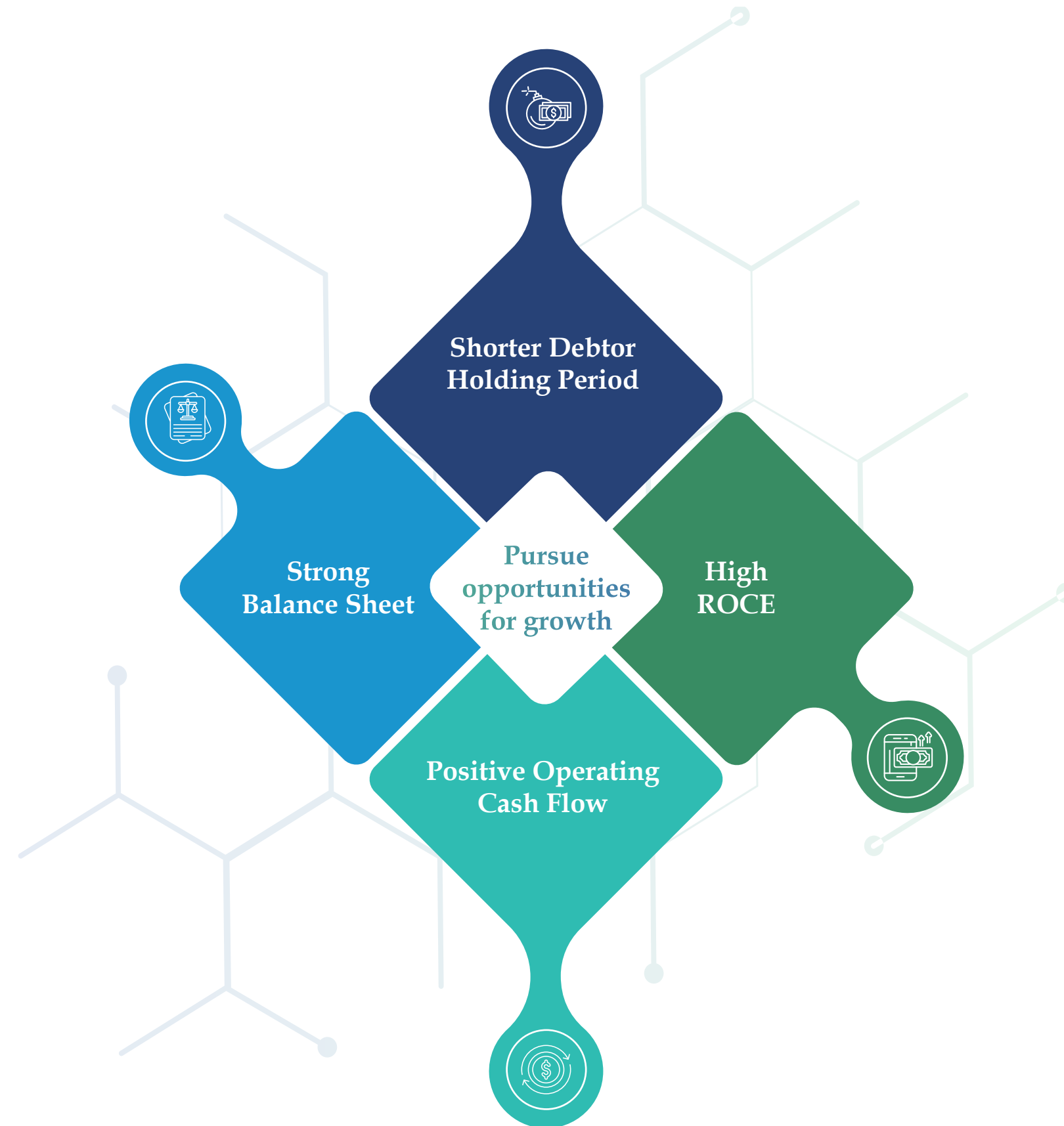
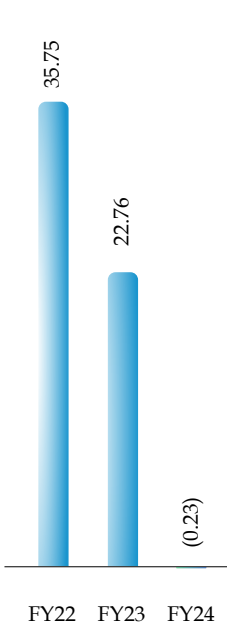
PAT Margin (%)

-98 % YoY Growth

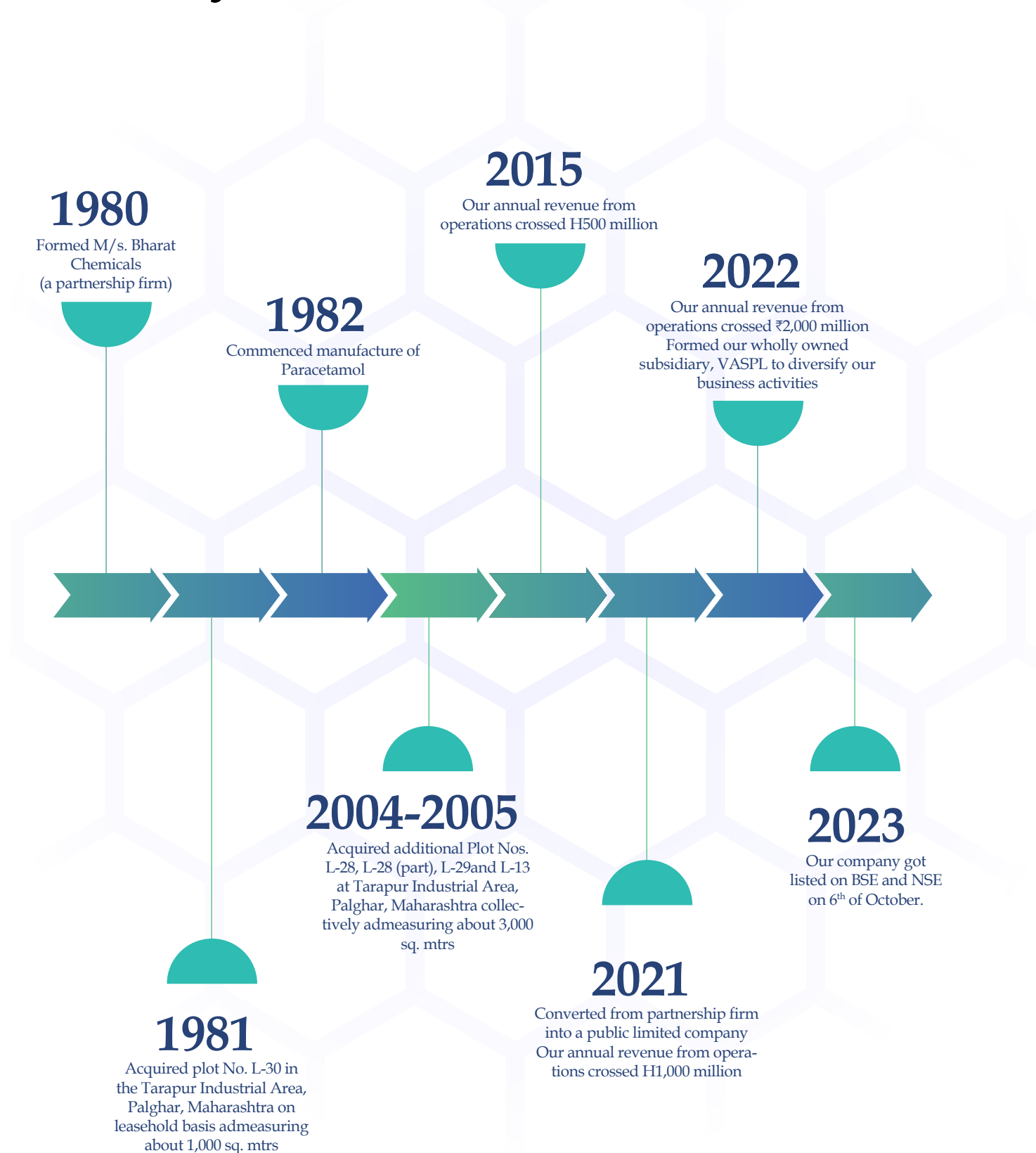


ROCE (%)

-99 % YoY Growth



Our Journey



Growing our Market Footprint



Expanding Our Domestic Reach

The paracetamol API market is experiencing a growth surge, driven by a rise in pain and analgesics therapies coupled with the increase in the self-care practices and over-the-counter (OTC) segment. Recognising this potential, Valiant Laboratories is poised to capitalise on the growth opportunities. We are aiming to diversify our clientele to further propel our growth in the upcoming years.

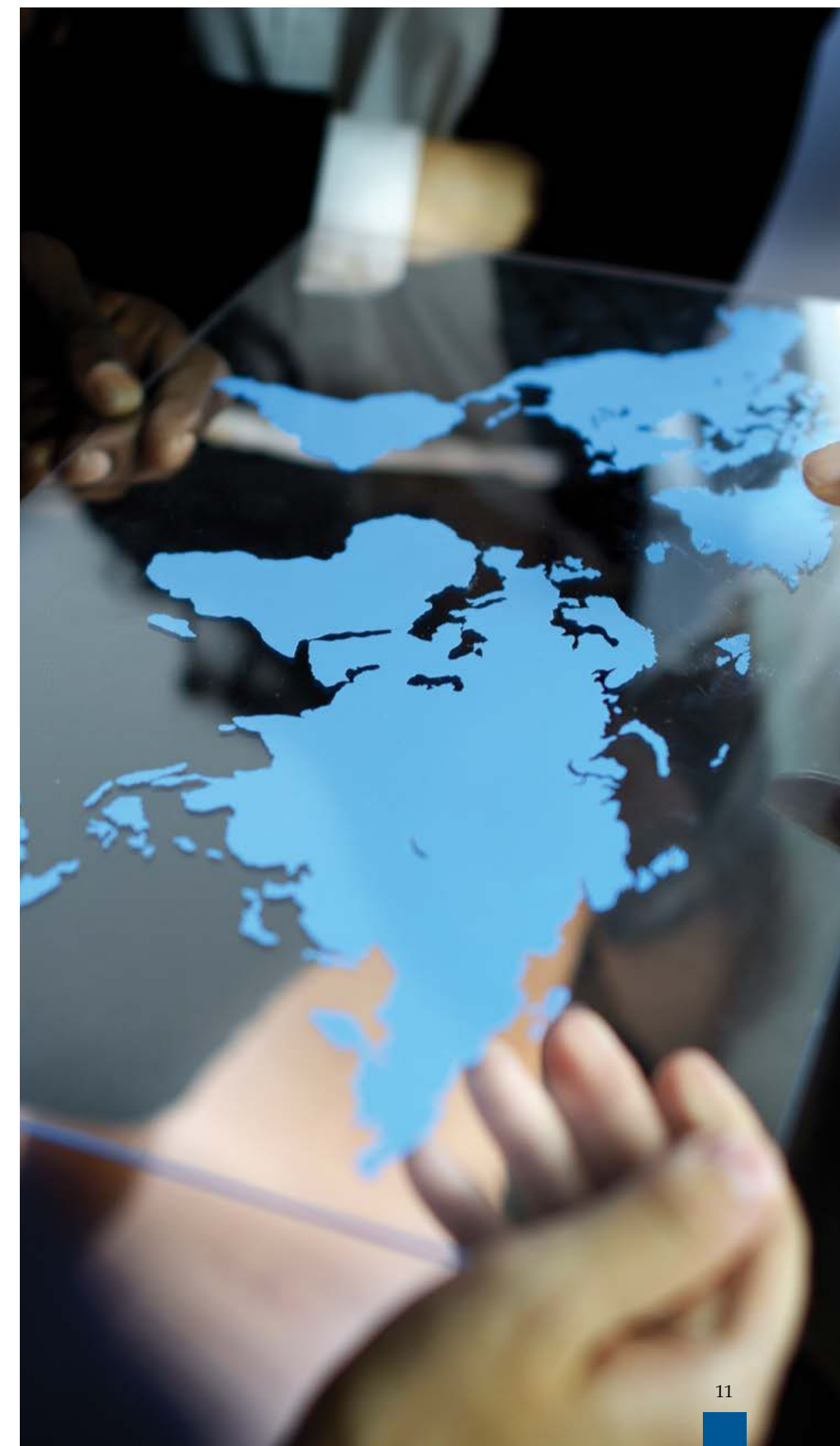
Additionally, price hikes in the paracetamol API market will present an opportunity for us. We are well-positioned to meet this growing demand with our existing ISO 9001:2015 certified manufacturing facility.



Targeting International Markets

We are focusing on expanding our geographic footprint, transcending boundaries, particularly expanding into regulated markets. We envision to become the preferred supplier of Paracetamol API in the regulated international markets. To achieve this, we have tailored our growth plan to meet the specific regulatory requirements and pursue the necessary approvals to sell in these markets.

We have built our legacy on the foundation of strong relationships with our consumers, and leveraging our existing relationships by taking more initiatives to build better connections with our valued customers. We are consistently evaluating our opportunities to accelerate our growth, both domestically and internationally.



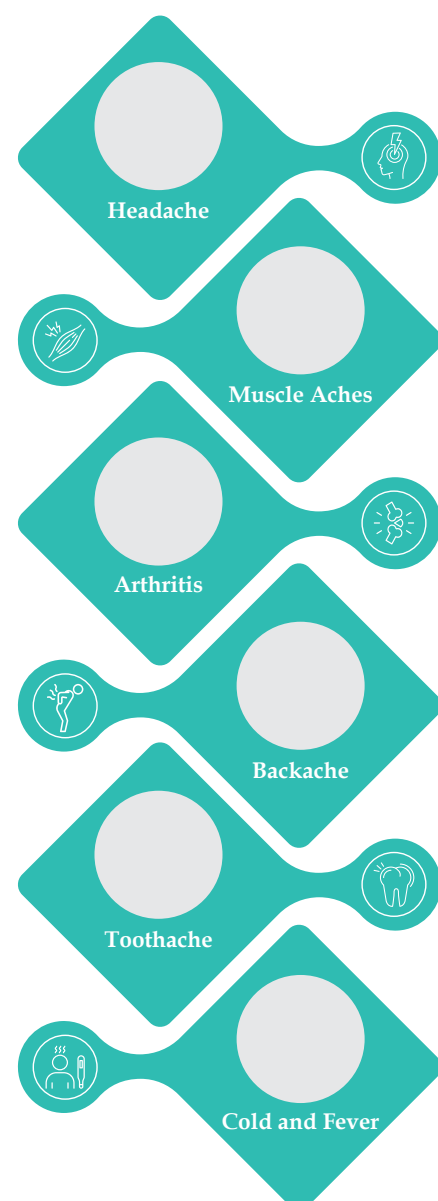
Strengthening Manufacturing Capabilities



Our offerings

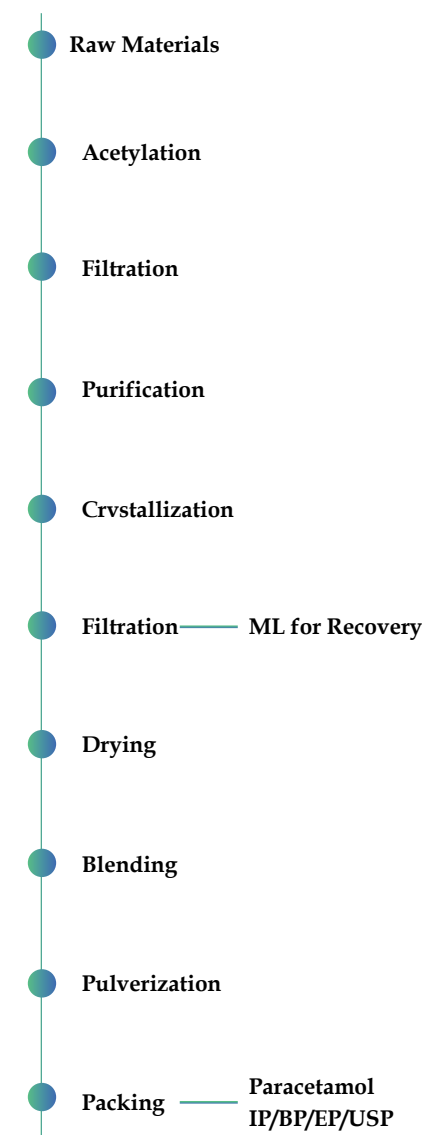
Paracetamol API (Active Pharmaceutical Ingredients)

A key ingredient used to treat a variety of conditions including:



Manufacturing process

Paracetamol Process Flow Chart



Our Paracetamol expertise

Variety of grades and sizes

- ▶ Powder
- ▶ Fine Powder
- ▶ Crystals

Global pharmacopoeia Standards

- ▶ IP (Indian Pharmacopoeia)
- ▶ BP (British Pharmacopoeia)
- ▶ USP (United States Pharmacopoeia)
- ▶ EU (European Pharmacopoeia)



Enhancing operational efficiency

We are steadily expanding our capabilities to deliver products that surpass industry standards and cater to the evolving market trends. Through this backward integration, we are expecting to enhance our control over the supply chain and mitigate any disruption risks. We are relentlessly incorporating initiatives to maintain consistent quality standards and attain an optimised cost structure.



Our manufacturing facility

Located at Plot nos. L-13 and L-30, Tarapur Industrial District - Palghar, Maharashtra, our facility is equipped with advanced machinery for producing various paracetamol grades. Its proximity to the JNPT Port (150 km) and our registered office (110 km) ensures efficient logistics and cost savings for both raw materials import and finished product export.

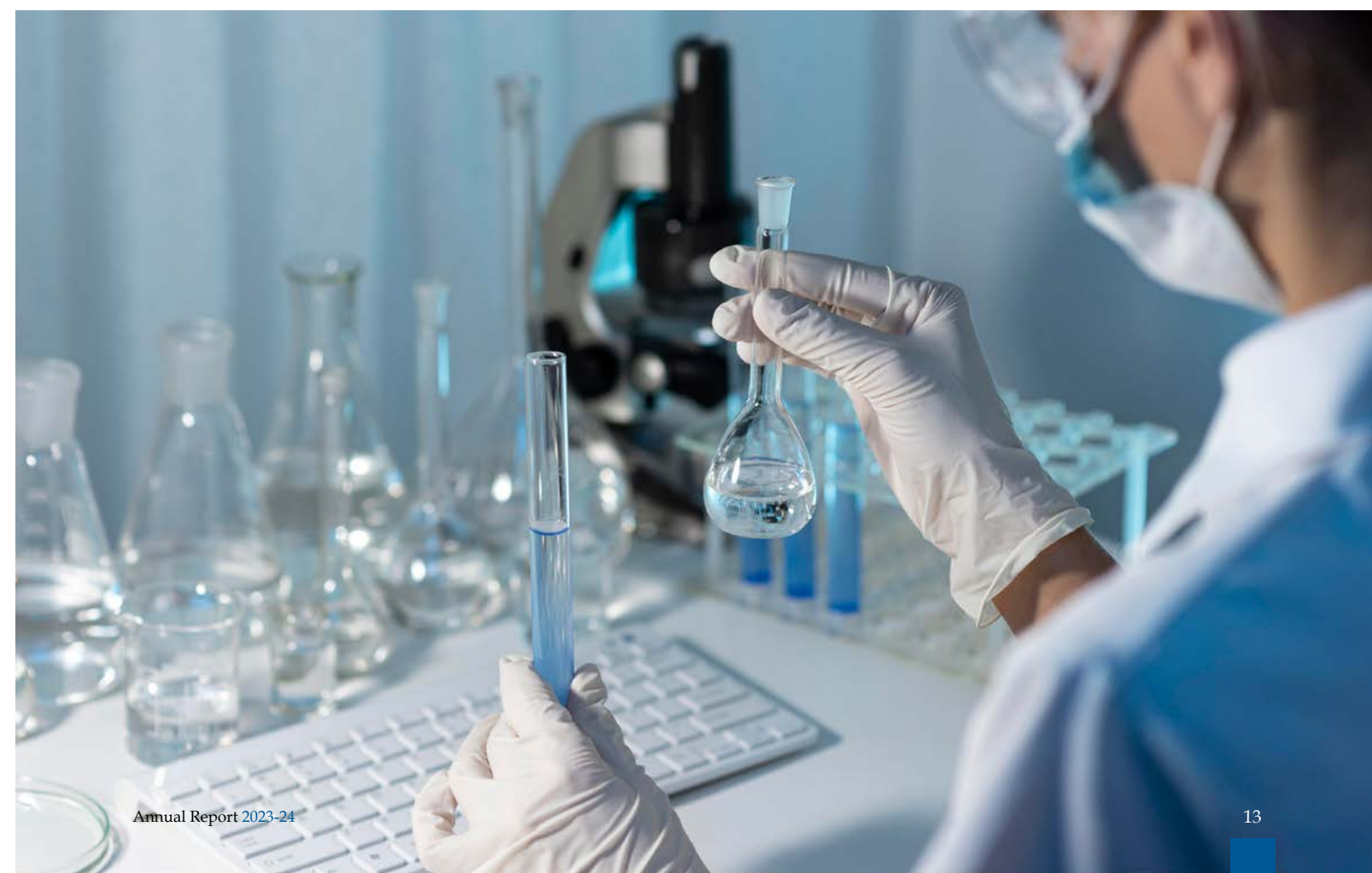


Clients we serve

Pharmaceutical Companies

To manufacture finished dosage forms like:

- ▶ Tablets
- ▶ Capsules
- ▶ Other medications



Building an Efficient Supply Chain



Streamlined procurement

Diversification and domestic sourcing

Establishing a diverse supply chain, especially prioritising procuring raw materials locally, has been the cornerstone of our success. Para-amino phenol, a key ingredient required for the synthesis of Paracetamol, is being increasingly sourced domestically through our promoter group company, Valiant Organics Limited. This strategic partnership has reduced our reliance on imports, significantly decreasing it in FY24 from FY20.

Backward integration for efficiency

Our proposal for a new facility is a testament to our commitment to developing a robust supply chain. This proposed facility will manufacture acetic anhydride, another crucial raw material, alongside other products. This strategy solidifies our control over the supply chain, optimising costs and ensuring consistent quality.



Prudent inventory management

Agile production

We operate in a dynamic market. Therefore, it becomes imperative to deliver solutions that can meet the needs of the consumers and cater to the evolving landscape. We maintain a close eye on customer requirements and market trends. Further, finished goods are produced in specific grades and quantities to minimise excess inventory.

Data-driven decisions

We keep our inventory well-maintained. Daily stock reports monitor inventory levels of both raw materials and finished goods, ensuring that we are well-prepared to respond to any market trends and prevent any disruptions to our operations. However, deviations from minimum stock levels that trigger immediate actions, we make sure our production and delivery schedules are met.



Reliable logistics

Efficient transportation

We maintain a robust transportation network to ensure efficient production distribution. We utilise a combination of road and sea freight for raw material and finished product transportation. Our suppliers deliver directly to our facility while we leverage third-party logistics companies to deliver our products to our consumers.

Continuous improvement

While we currently outsource logistics, we are consistently evaluating new opportunities to optimise our delivery network and ensure cost-effectiveness.



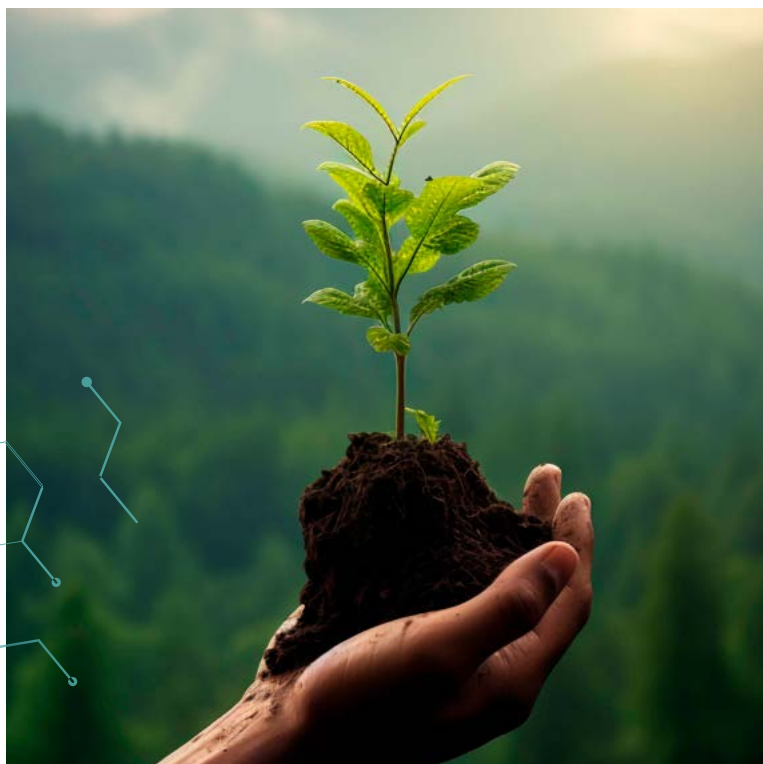
Our People



Environment

We recognise the urgency to tackle the climate crisis and address systemic threats to the environment. To maximize our positive impact, we concentrate our efforts on the domain of waste management and emission reduction. Our activities are subject to environmental laws and various regulations which govern, among other matters, the storage and handling of raw materials and finished goods.

The sustainable approaches undertaken by us, focus on optimising the use of natural resources. These initiatives have enhanced our reputation and brand loyalty by attracting environmentally conscious customers. This further helps us to improve our cost optimisation strategy, thereby, strengthening our position in the competitive environment.



Governance

Our Company complies with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act concerning the composition of our Board and its Committees thereof. We uphold the highest standards of corporate governance and ethics through a comprehensive framework anchored by several key pillars. Our effective board of directors, comprises of seasoned professionals provides independent oversight and strategic guidance. Clear corporate governance policies serve as the foundation, delineating roles, responsibilities and ethical expectations for all stakeholders. We foster trust and accountability through transparent communication channels among shareholders, employees, customers and the community at large. We remain committed to stringent compliance with laws, rules, and regulations, ensuring ethical conduct across all operations.



Serving the Community

Diversity and inclusion are cornerstones of our organizational ethos. Increasing women's participation in the workforce is a conscientious initiative that we undertook. We are committed to fostering an inclusive workforce and recognise the vital contributions of our on-field women employees across various operational roles. We believe that embracing diversity not only enriches our workplace culture but also drives innovation and success in our business.

Corporate Social Responsibility

As a responsible corporate citizen, we have always believed that sustainable business growth and societal well-being are intertwined. We have undertaken initiatives to uplift our communities, focus on areas of health, education and research and steadily create healthier and happier communities. Our CSR initiatives include making substantial contributions to Swami Vivekananda High School and Junior College, located in Kolwade, to develop their infrastructure and cultivate a holistic educational environment. We aim to empower our youth by providing them with access to quality education. In addition to this, we have also taken initiatives to support Women Empowerment. We understand that contributing our bit to women's empowerment will contribute largely towards the development of society and the economy. Our dedication and commitment towards developing the community in which we operate is driven by our purpose of bringing inclusive growth to society.

The Company has carried out its major CSR activities through donations at "Bhagwan Mahavir Pashu Raksha Kendra, Anchorwala Ahinsadham". The purpose of this institution is to rescue and rehabilitate animals in distress and provide free medical care and shelter to animals in pain.



Our Esteemed Board of Directors



Mr. Chandrakant V. Gogri is the founder of Aarti Industries Limited. Mr. Gogri holds a degree in Chemical Engineering from the Institute of Chemical Technology (ICT), previously known as the University Department of Chemical Technology (UDCT). He has unparalleled expertise in the fields of chemical industry projects, operations, process development, and marketing. His ability and aptitude for finance assisted the Aarti Group through a crucial expansion period. For his contributions to the Indian chemical industry, Mr. Chandrakant V. Gogri received the renowned Lala Shriram National Award for Leadership in the Chemical Industry in 2015 and the ICC's D.M. Trivedi Lifetime Achievement Award in 2019. In 2022, Mr. Chandrakant Gogri was honoured with Lifetime Contribution Award at the Chemical and Petrochemical Awards by FICCI and Lifetime Achievement Award by GDMA (Gujarat Dyestuff Manufacturer Association)



Corporate Information

BOARD OF DIRECTORS

Chairman & Independent Director

Mr. Velji K. Gogri

Managing Director

Mr. Santosh S. Vora

Executive Director

Mr. Paresh S. Shah

Non – Executive Directors

Mr. Shantilal S. Vora

Mr. Sandeep N. Gupta

Independent Directors

Mrs. Sonal A. Vira

Mr. Mulesh M. Savla*

(*Appointed w.e.f. May 14, 2024)

Chief Financial Officer

Mr. Paresh S. Shah

Company Secretary & Compliance Officer

Ms. Saloni J. Mehta

(*Resigned w.e.f. March 31, 2024)

Ms. Prajakta K. Patil

(*Appointed w.e.f. May 14, 2024)

STATUTORY AUDITORS

M/s. Raman S. Shah & Co.

Chartered Accountants

SECRETARIAL AUDITORS

M/s. Sunil M. Dedhia & Co.

Practicing Company Secretary

BANKERS

* The Hongkong and Shanghai Banking Corporation Limited

* Kotak Mahindra Bank

* Bank of Baroda

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai - 400 083,

Maharashtra.

Tel No: +91 22 49186000

Fax: +91 22 49186060

REGISTERED OFFICE ADDRESS

104, Udyog Kshetra,

Mulund Goregaon Link Road,

Mulund (West) Mumbai – 400 080

Ph No: 022-49712001 / 49717220/49717221

CORPORATE IDENTIFICATION NUMBER

L24299MH2021PLC365904

Statutory Reports

Management's Discussion and Analysis

Global economy

Overview¹

Despite a tumultuous CY 2023 marked with volatile commodity prices, prolonged geopolitical conflicts and surge in inflation, the global economy exhibited remarkable resilience, achieving a growth rate of 3.2%. Although central banks worldwide resorted to calibrated interest rate hikes to anchor in inflation, it exacerbated fiscal and debt vulnerabilities in the developing countries. Nevertheless, the global economy steadily navigated the macroeconomic challenges.

Many emerging markets and developing economies (EMDEs) such as Mexico, Vietnam and India witnessed stronger-than-anticipated growth and attracted substantial foreign capex inflows. On the other hand, advanced economies such as the US also surpassed its pre-pandemic growth. With the decline of inflation from its peak, the economic activities steadily gained momentum. Few low-income and frontier economies regained market access as well.

Outlook

The global growth is anticipated to sustain its growth rate at 3.2% for both CY 2024 and CY 2025². Amidst debottlenecking of supply chains and tightened monetary policies, global headline inflation is expected to decline faster-than-expected across most regions, declining to 5.8% in CY 2024.

Furthermore, growth in advanced economies is projected to decline from 1.6% in CY 2023 to 1.5 % in CY 2024 before rising to 1.8% in CY 2025. However, global trade is estimated to report a growth of 3.3% in CY 2024 and 3.6% in CY 2025³.

Despite prolonged geopolitical disequilibrium, high-frequency economic indicators suggest a positive momentum for most major economies. Looking forward, declining inflation and increasing government spending in advanced and emerging economies are anticipated to further mitigate fiscal pressures and attract investments for future growth.

Indian economy

Overview

In FY 2024, the Indian economy maintained its promising trajectory amidst the global headwinds. In FY 2024, India's GDP touched 8.2% with its Current Account Deficit (CAD) standing at 1.9% of GDP⁴, driven by strong domestic demand, consistent government spending, surging exports, rise in private consumption, increasing focus on infrastructure development and a positive investment environment.

India is one of the fastest growing major economies in the world. It has simultaneously established itself as one of the most favourable destinations for foreign investments. With the growing prominence of the 'China plus one' strategy, India has emerged as an alternative manufacturing hub for most foreign businesses. Moreover, with the Government implementing favourable fiscal policies, including flagship programmes such as 'Make in India', 'Digital India' and 'Aatmanirbhar Bharat', it has attracted foreign capital inflow and has lent stability to the Indian economy by spurring growth across different sectors.

On the backdrop of a robust Indian economy, the Indian pharmaceutical sector has emerged as a global leader in research and innovation. The Indian pharma industry ranks third globally in pharmaceutical production by volume. The pharma industry is currently valued at USD 50 billion but is anticipated to reach USD 130 billion for the annual report by 2030, owing to effective governmental policies, rising medical tourism and robust drug manufacturing.⁵ On the other hand, the chemical industry in India also witnessed significant growth in the year under review. Furthermore, the industry employs more than 2Mn people, contributing significantly to growth of the Indian economy.

Outlook

According to Reserve Bank of India, the prospect for the Indian economy remains bright, underpinned by strong macroeconomic fundamentals, robust financial and corporate sectors and a resilient external sector. Furthermore, debottlenecking of supply chains, decline in core inflation and early indications of an above normal southwest monsoon augur well for the inflation outlook for FY 2024-25. With the headline inflation easing towards the target, it is anticipated to spur consumption, especially in the rural regions.

India is anticipated to maintain its positive growth momentum in the upcoming financial years. Projections indicate that India will become the world-third largest economy by 2027, surpassing Japan and Germany.

Industry Overview

Global Pharmaceutical Industry

The global active pharmaceutical ingredient market is expected to attain a value of USD 352.98 Billion by 2030. It is projected to expand at a Compound Annual Growth Rate (CAGR) of 5.75% from 2024 to 2030.⁶ Factors fuelling this growth include advancements in active pharmaceutical Ingredients (API) manufacturing, the expanding biopharmaceutical sector and a rise in the geriatric population.

¹<https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

²<https://www.imf.org/en/Publications/WEO/#:~:text=Description%3A%20Global%20growth%20is%20projected,debt%20weigh%20on%20economic%20activity.>

³<https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>

⁴<https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>

⁵<https://www.investindia.gov.in/sector/pharmaceuticals>

⁶<https://finance.yahoo.com/news/global-active-pharmaceutical-ingredients-market-153100692.html>

The global API industry operates through interconnected supply chains across various regions around the world. Price fluctuations and regulatory compliance play pivotal roles in shaping the market. Regional hubs specialise in manufacturing various types of ingredients tailored to specific segments of the industry. China is renowned for its high volume and low-cost API manufacturing, positioning it as a vital source in the global pharmaceutical industry.

Numerous countries and regulatory bodies have enforced rigorous standards for producing high-quality APIs as the industry transforms through the years. These measures aim to strengthen the clinical efficacy of the products while upholding the environmental safety protocols. Many companies are thus opting to outsource API manufacturing, leading to growth in the Asia-Pacific region. China and India attract partnerships from global pharmaceutical industries who are seeking to collaborate with manufacturers in these nations.

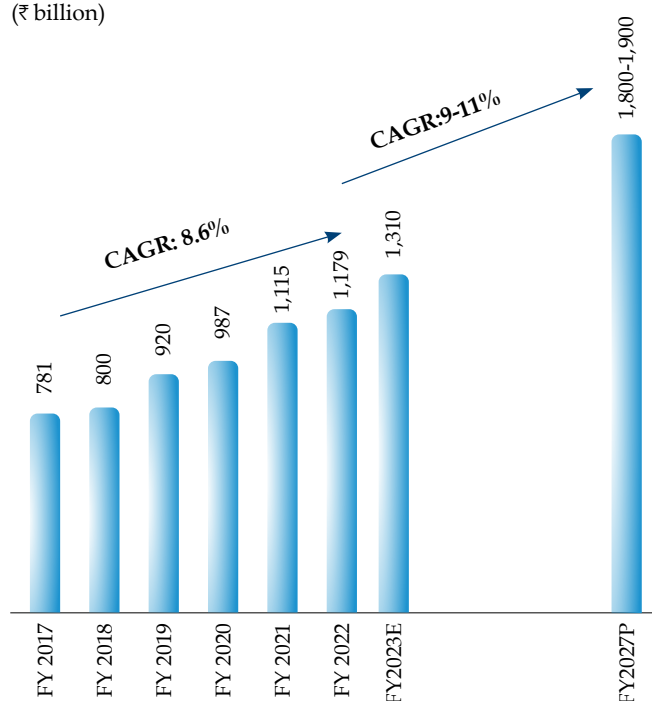
Indian Pharmaceutical Industry

API is a crucial segment of the pharma industry, contributing to around 35% of the market. India is the 3rd largest producer of API accounting for an 8% share of the global API Industry⁷. More than 500 APIs are manufactured in India which contribute to 57% of the prequalified list of the World Health Organisation (WHO).

India's API market is expected to grow at a CAGR of 13.7% during the first four years which is about 8% higher than the generic API industry. This has become a lucrative space for several investors and venture capitalists. India's domestic market, advanced chemical industry, skilled workforce, stringent quality and manufacturing standards and low costs for setting up and operating a modern plant gives an added advantage.

India's API Industry (including exports) overview

(₹ billion)



Source: CRISIL Research

The growing antagonism between the West and China has also pushed the global pharma majors to source more from countries other than China. India's emergence as the alternate source of bulk drugs has been quite remarkable.

Growth Drivers

Government Initiatives

Initiatives such as "Make in India" and Production Linked Incentives (PLI) provide financial and infrastructural backing to companies engaged in domestic manufacturing of APIs. This emphasis on self-sufficiency aims to diminish the dependence on imports from China, while fortifying the industry's global standing. The government's allocation of funds towards research and development (R&D) within the pharmaceutical sector enhances the innovation of API production, positioning India as a centre for cutting-edge API development.

Shifting global landscape

India emerges as a global player in this industry due to its strong regulatory framework and production costs, often 40% lower than the Western markets. The 'China Plus One' approach, aimed at decreasing dependency on China, positions India as an alternative.. This strategic redirection has attracted investments and forged partnerships with the Indian API manufacturers.

Rising domestic demand

The increasing need of a robust API sector in India arises from the increasing population and healthcare awareness of the citizens. A thriving domestic API sector ensures a reliable supply chain and mitigates price fluctuations linked to imports. The rise of disposable income has also fuelled the growth in demand of specialised drugs targetting chronic conditions such as diabetes and cancer. This presents a lucrative market that Indian API manufacturers can address.

Chronic disease burden

The API industry has growing opportunities in the Indian market with the emergence of diseases such as diabetes, cancer and heart diseases, which need specialised APIs which are different from generic drugs. The manufacturers can meet this escalating demand by prioritising R&D in these specialised domains. A solid domestic API industry can enhance the accessibility to life-saving treatments for the population by curbing the production costs.

Focus on innovation

The Indian API manufacturers can leverage their expertise to produce biosimilar APIs, replicating the functionalities of intricate biologic drugs at a reduced cost. The Government's focus on innovation is evident through its allocation of funds for R&D and provision of patent protection. This creates a dynamic environment for Indian API companies to innovate and manufacture specialised medications outside the generic realm of drugs.

Paracetamol API Industry in India

The paracetamol API industry in India surged to ₹39 billion in 2023, encompassing both domestic consumption and exports. This growth was primarily propelled by an uptick in pain and

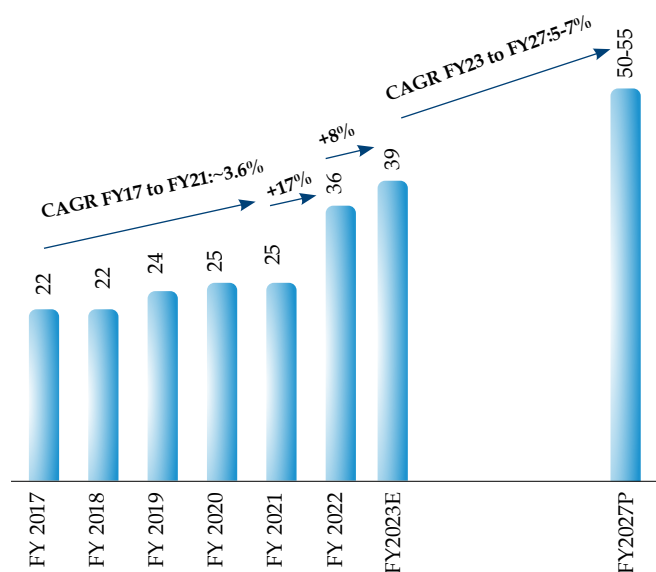
⁷<https://www.investindia.gov.in/team-india-blogs/harnessing-indias-api-potential>

analgesics therapy, targeting common ailments such as fever, cough and cold and the realisation of industry players. The demand for paracetamol API experienced an increase due to the pent-up demand following the COVID-19 pandemic.

The demand for export attributed to supply constraints in China. This provided Indian manufacturers with opportunities to penetrate the global market. Historically, the growth of the paracetamol API sector has been underpinned by a moderate rise in volume consumption coupled with price increases.

Overview of the Paracetamol API (including exports) industry

(₹ billion)



Source: CRISIL Research

The paracetamol API industry in India is anticipated to experience a CAGR of 5% to 7% from FY 23 to FY 27. This growth will stem from increased demand from both domestic formulation manufacturers and export markets. Within the domestic market, the rise in demand can be attributed to the expanding Over-The-Counter (OTC) segment and the trend of self-care for common ailments such as fever and cold. The escalation in raw material costs for manufacturing paracetamol API has contributed to the increased prices. This upward price trend in the paracetamol API sector often reflects in the pricing of formulations which are frequently adjusted in accordance with the Wholesale Price Index (WPI).

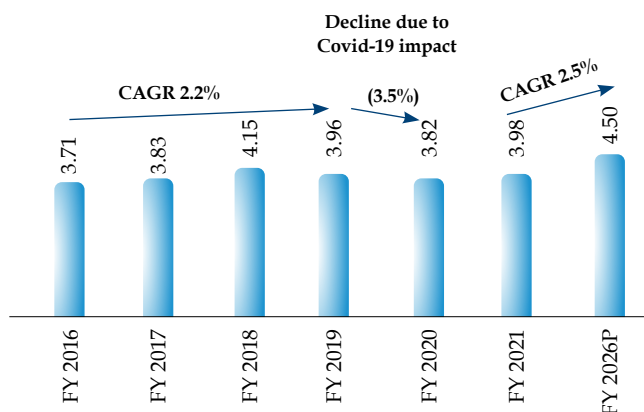
Global Chemical Industry⁸

The global chemical industry anticipated a modest rebound in production for 2023. By mid-2023, several chemical companies revised down their expectations significantly due to a sluggish global demand. Factors contributing to this are the European recession, the US inflation and a smaller-than-expected rebound in the Chinese demand.

High inventory levels has resulted in months of destocking and less than 1% Year-on-Year (YoY) growth in chemical output within the first eight months of 2023. Many companies focused on cost reduction and improving the efficiency in response to it.

Although fears of an economic downturn in the US has diminished, analysts forecast a modest rebound in chemical production, with destocking transitioning to restocking. Underlying demand weakness and over-capacity for certain products may persist. The American Chemistry Council expects the capital spending for the US chemical industry to remain mostly unchanged in 2024 before growing by 3% to 4% annually in 2025-2026.

Global chemical industry size in USD trillion



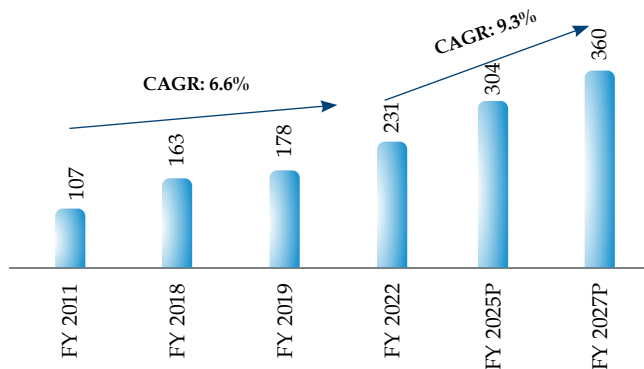
Source: CRISIL Research

Stakeholder pressure and government policies have incentivised investment in the energy transition, leading to convergence among related sectors. Some oil and gas companies are expanding into critical minerals mining, agriculture and chemicals, while certain chemical firms are entering lithium processing, battery manufacturing and clean ammonia production. Chemical companies face both new opportunities and increased competition from industries with stronger cash flows, such as large oil and gas corporations as a consequence.

India's Chemical Industry

Currently valued at USD 300 billion and boasting a CAGR of 9.3%, India's chemical industry holds significant importance in fuelling the economic expansion.⁹ India must establish a robust industry landscape to foster competitiveness within this sector. The Indian chemical industry stands poised for remarkable growth. This growth is propelled by increasing domestic chemical consumption which reflects a favourable demand scenario.

Indian chemical industry in USD billion



Source: Department of Chemicals and Petrochemicals

⁸<https://www2.deloitte.com/us/en/insights/industry/oil-and-gas/chemical-industry-outlook.html>

⁹<https://www.indianchemicalnews.com/compedium-2024>

The industry's pivotal role in supporting numerous other sectors by contributing to the production of nearly 1,00,000 products underscores its potential and the growth opportunities awaiting in India. The chemical sector aligns with the government's vision of fostering self-reliance ("Aatmanirbhar Bharat") and achieving the ambitious goal of transforming India into a \$30 trillion economy by 2047.

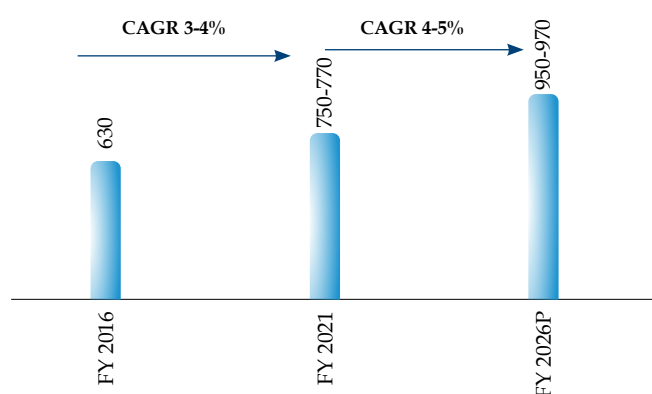
Growth Drivers

- The per capita consumption of chemicals in India remains notably lower in contrast to Western nations, indicating ample room for fresh investments.
- India's large population, heavy reliance of the domestic market on agriculture and robust export demand serve as primary catalysts for industry growth.
- Changes in the geopolitical landscape and global supply chain preferences away from China present India with an opportunity to transform challenges into favourable circumstances.
- The domestic market exhibits growth potential, buoyed by increasing Gross Domestic Product (GDP) and the purchasing power among consumers.
- India possesses world-class engineering expertise and a robust R&D capabilities, further enhancing its position in the chemical industry.

Global Specialty Chemical Industry

The Indian specialty chemicals sector is poised for revenue growth of 6% to 7% in FY 2024, primarily driven by increased domestic demand. Despite macroeconomic challenges affecting exports to the US and the Europe, higher domestic demand is expected to strengthen the volume growth. Revenue growth may be tampered by stagnant realisations in the current year. Agrochemicals and performance chemicals hold significant shares in the global specialty chemical revenue, each contributing 8% to 10% in 2021. The surge in agrochemical usage stems from the growing demand for agricultural products which is attributed to the population growth and increased purchasing power of consumers.

Global specialty chemical market size in USD billion



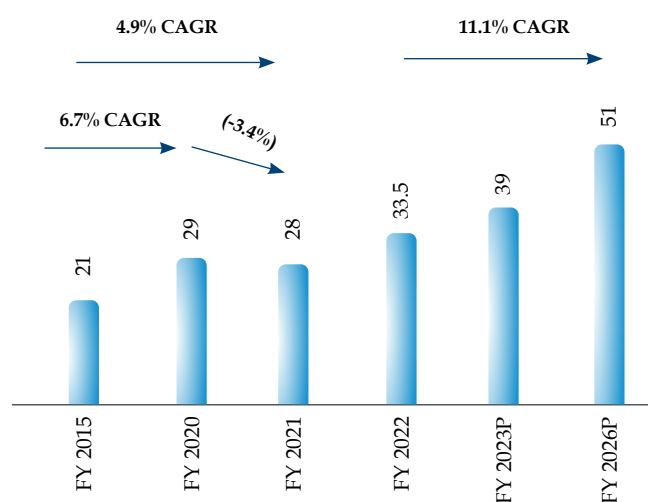
Source: CRISIL MI&A Consulting

Over the past two decades, there has been a shift in the specialty chemical industry, with developed countries like the US and emerging economies in the Asia-Pacific region. This transformation is largely driven by stricter environmental regulations in the Western nations and the cost advantages enjoyed by companies in emerging markets. Companies are increasingly relocating closer to the demand hubs and optimising their supply chains to adapt to such changes.

India's Specialty Chemical Industry¹⁰

India's specialty chemicals sector constitutes approximately 26% of the overall chemicals industry and is experiencing a robust demand from both global clients seeking alternatives of China and increasing domestic consumption. Stock prices have reached an all-time high, surpassing the global valuations. Sustained demand from domestic and international markets is expected to drive revenue growth in the specialty chemical companies, leading to robust earnings in the medium term and maintaining high valuations. Companies with strong technical expertise, sound financial health and differentiated products are anticipated to outperform cyclical or bulk commodity players.

Indian specialty chemical industry in USD billion



The rapid growth of the Indian specialty chemicals industry is inevitable, but companies must exhibit an agility to adapt to evolving industry landscapes for sustainable growth. This entails focusing on customer value creation through product differentiation, collaborative customer engagement and building resilient supply chains with increased investments in R&D and digital technologies. Efforts are being made by such companies to reduce carbon footprint through green practices. Continued government support is needed to foster a conducive business environment and develop world-class infrastructure. This includes additional Petroleum, Chemicals and Petrochemical Investment Regions (PCPIRs) and enhanced availability of feedstock.

Growth Drivers

Rising Demand Across End-Use Industries

Specialty chemicals play a crucial role across various sectors such as pharmaceuticals, automobiles, personal care and agriculture.

¹⁰https://www.ey.com/en_in/chemicals/indian-specialty-chemicals-industry-ready-for-a-quantum-leap

It serves as essential components for enhancing product performance and functionality. There is a corresponding increase in demand for specialty chemicals to meet the evolving needs of these industries as they expand gradually.

Focus on Innovation

Indian specialty chemical firms are ramping up investments in R&D to develop innovative and high-performance products. This emphasis on innovation enables them to meet the changing demands of various industries and maintain a competitive edge.

Export Opportunities

The increasing global demand for specialty chemicals presents a significant opportunity for India's specialty chemical sector to expand. This makes India an appealing supplier for international markets. The schemes launched by the government to promote exports in the sector is also driving its growth.

Focus on Sustainability

The specialty chemicals sector in India is also focusing on sustainability goals. Indian enterprises are actively developing eco-friendly alternatives and adopting sustainable methods of production. These initiatives align with the preferences of environmentally conscious consumers and it also facilitate access to emerging markets.

Shifting Supply Chain Dynamics

India's specialty chemical firms have opportunities due to geopolitical tensions and disruptions in supply chains. India's established regulatory framework and commitment to quality position makes a dependable alternative for conventional suppliers.

Company Overview

Valiant Laboratories Limited is an active pharmaceutical ingredient manufacturing company in India. The Company has established a reputation of being a highly reliable supplier for over 40 years, who has the capability to anticipate and meet market needs. It is a part of the Aarti Group of Industries.

1980

Year of establishment

The Company started its journey in the pharmaceutical industry after a few years of R&D. The first ever product of the Company was paracetamol which is an API. After a few years, the partnership firm was converted into a public limited company under the name of Valiant Laboratories Limited.

The Company is a leading API manufacturing company with its focus on manufacturing Paracetamol API/bulk drug. It operates at a single location, a manufacturing facility at Tarapur industrial estate, India.

The Company's facility is well equipped with the latest instruments and equipment to meet the requirements of its customers. It also offers different grades of the API as per the requirement of the customer. This facility is strategically located at a distance of 150 kilometres from Nhava Sheva Port (JNPT) and approximately 110 kilometres from the registered office in Mumbai.

The Company also has a dedicated team for carrying out various R&D projects to identify newer molecules that can commercialised and further add to its growth.



Key Strengths

Experienced promoters and strong management team: The Company's extensive industry expertise and established track record enables them to make strategic decisions and adeptly navigate regulatory challenges. This proficiency facilitates the establishment of valuable partnerships, optimisation of production processes and maintenance of stringent quality control standards. Its experienced team leads the Company towards a sustainable growth and ensures profitability.

Strong financial performance: A strong financial performance results in an efficient cash flow, which can be allocated towards strategic investments such as R&D or expanding the production capacity. A track record of profitability can enhance investor confidence, potentially facilitating smoother access to capital for future growth.

Reducing dependence on import of raw materials: Reducing dependency on the import of raw materials shields the Company from fluctuations in global prices and potential disruptions in the supply chain. The Company can enhance profit margins and re-invest in domestic production. Emphasising on domestic sourcing can also fortify relationships with local suppliers, potentially resulting in improved quality and a more dependable supply chain.



Growth Strategies

Diversification into new chemistries and industry: The Company, along with its wholly owned subsidiary Valiant Advanced Sciences Private Limited plans to establish a greenfield project in Saykha Industrial Area, Bharuch, Gujarat. This facility, spanning over 57,766 square metres, will specialise in producing ketene and diketene derivative products within the specialty chemicals sector. These chemicals find use across various industries including agrochemicals, pharmaceuticals, dyes, pigments, food and fragrance sectors. These initiatives align with the Company's strategic objectives by diversifying its customer portfolio and mitigating reliance on a single product.

Increase in market share: The rising popularity of OTC medications and self-care practices is driving demand for paracetamol API in the domestic market. Price increases in the API sector is linked to the rising raw material costs and the WIP surge of approximately 10% in 2022. To capitalise on these trends, the Company aims to enhance its market share in the paracetamol API industry by attracting new customers and retaining the existing ones.

Improve operational efficiencies through backward integration of proposed facility: The Company aims to improve operational efficiency by implementing backward integration, producing ketene and diketene derivative products. Utilising acetic anhydride internally for paracetamol production, it plans to supply the remaining products to external customers. This strategy aims to reduce the product costs, ensure raw material supply control, mitigate supply chain risks and decrease the reliance on third-party sources. Backward integration will enhance control over manufacturing processes, maintain quality standards and achieve cost effectiveness. These measures are expected to facilitate timely customer demand fulfilment, increase sales and enhance working capital management and supply chain operations.

Increasing the penetration in international markets including regulated markets: The Company aims to expand internationally, focusing on regulated regions, to become a preferred paracetamol API supplier to pharmaceutical firms. Its efforts target securing necessary approvals and tailoring growth strategies with respect to each country's regulatory framework. Strengthening existing customer partnerships for enhanced collaboration is prioritised. Operating from its ISO 9001:2015 compliant manufacturing facility in Tarapur Industrial Area, Maharashtra, continuous assessment of markets and partnerships will strengthen the Company's presence in domestic and export markets.



Opportunities

Growth in Paracetamol Demand: The Company has the opportunity to leverage the growing need for paracetamol API by maximising production capacity and extending its reach to cater to the increasing demand for OTC pain relievers. This emphasis on a sought-after product has the potential to enhance its market presence and ensure profitability.

Government Initiatives: Schemes like "Production Linked Incentive (PLI)" launched by the government aim to boost domestic API production. Valiant Laboratories can explore participation in such programmes to gain financial and infrastructural support.

Focus on Domestic Sourcing: Firstly, this initiative can lessen reliance on overseas suppliers, thereby mitigating risks such as import delays and currency fluctuations. Secondly, it can leverage government initiatives supporting domestic manufacturing, potentially resulting in tax breaks or subsidies. Lastly, it has the potential to enhance brand image by aligning with "Make in India" sentiments.

Strategic Partnerships: Strategic partnerships present an opportunity for the Company to leverage its resources and expertise. Collaborating with research institutions can accelerate its innovation, while partnerships with distributors can facilitate the market expansion. Acquisitions or mergers offer avenues to access new technologies or customer base, driving the Company's growth trajectory.

Financial Performance

The total revenue of the Company decreased from ₹3,339.10 million in FY23 to ₹1,820.52 million in FY24. The PBT decreased from ₹381.36 million in FY23 to ₹(7.53) million in FY24, resulting in a margin of -0.41%. The PAT decreased from ₹289.98 million in FY23 to ₹3.40 million in FY24, with a margin of 0.19%.

Particulars	FY24	FY23	FY22
Total Revenue	1,820.52	3,339.10	2,915.23
Revenue growth (in %)	-45.00%	14.54	59.85
EBITDA	12.73	350.91	423.18
EBITDA Margin (%)	0.70%	10.51	14.52
Profit Before Tax (PBT)	(7.53)	381.36	417.04
PBT Margin (%)	-0.41%	11.42	14.31
Profit After Tax (PAT)	3.40	289.98	274.96
PAT Margin (%)	0.19%	8.56	9.37
Capital Employed	2983.65	1,622.39	1,323.85
ROCE (%)	-0.23%	22.76	35.75
ROE (%)	0.14%	33.73	34.36
Debt to equity ratio	0.36	0.59	0.85
Operational Parameters			
Top 3 customers (in ₹million)	215.17	698.37	476.84
Top 5 customers (in ₹million)	328.87	989.55	682.26
Total Quantity sold (MT)	5,640.21	5,932.84	4,212.49
Average Revenue per Quantity sold (in ₹per MT)	317,386.55	562,816.80	692,044.00

Risks and Mitigations

Risks	Impact	Mitigation strategy
Risk of Competition, pricing pressure and government control on prices - The arrival of new competitors in established product categories intensifies competition, exerting pressure on the pricing. - In certain nations, government regulations periodically control medicine prices, aiming to enhance affordability for the patients.	Impact on profitability and rendering some products unavailable at times.	- Expanding the current portfolio and introducing new products. - Advancing in the product value chain and introducing complex products with substantial entry barriers to minimise new competition. - Executing various cost optimisation strategies throughout the value chain.
Risk related to economic and political situations Regular political shifts, including civil unrest and situations resembling warfare in various locations, affect the economic operations within those regions.	Considerable uncertainty surrounds the Company's operations in regions affected by political instability.	- Ongoing assessment of political and economic conditions around the world in order to limit exposure to the affected regions. - Securing receivables via letters of credit or advance payments.
Risk of regulatory actions due to non-compliance of quality standards Failure to adhere to regulations in specific regions affect the Company's presence in those areas.	- Regulatory penalties or compliance notices issued by authorities and customers. - Damage to reputation posing a threat to future operations.	- Ongoing assessment of relevant regulations to maintain compliance consistently. - Fostering a solid quality culture throughout the organisation and integrating new technologies and automation for enhanced compliance. - Taking measures to enhance systems and processes in response to regulatory actions taken against other entities.

Risks	Impact	Mitigation strategy
Risk of litigation related to intellectual properties - Legal disputes may arise from infringement of patents owned by innovators. - Litigation with tax authorities can occur due to differing interpretations of various provisions stemming from frequent changes in tax laws.	Launching products may be deterred due to patents held by innovators.	- Introducing a review mechanism to assess potential infringement of intellectual property rights before initiating development and filing dossiers. - Ensuring adherence to diverse statutory requirements.
Risk of Market Volatility in Raw Materials The global market for para-amino phenol (PAP), a key component used in Valiant Labs, is susceptible to significant price fluctuations.	Unexpected price hikes for the raw material could erode profit margins and impact overall financial performance. High market volatility can introduce uncertainty into production planning and budgeting, making it challenging to maintain efficient operations.	Valiant Labs is continuously evaluating its production processes and exploring ways to improve resource efficiency. This can help reduce the overall impact of raw material price fluctuations on production costs.
Risk of delay in new product approvals Delay in the launch of newly developed products	It affects the growth and profitability of operations in various markets.	- Implementing a mechanism to thoroughly review all new product dossiers prior to submission to regulatory authorities. - Promptly addressing queries raised by regulators regarding product dossiers to accelerate approvals.
Risk of international operations including forex risk Operating in various geographic locations exposes the company to fluctuations in currencies across different countries.	The Company's growth, profitability, investments and foreign currency debt obligations fluctuate in response to currency fluctuations.	Implementing a suitable hedging strategy to protect against unfavourable currency fluctuations.
Risk of cyber-attack on digital infrastructure Disruption to the Company's operations resulting from a cybersecurity breach on its digital infrastructure.	Financial, operational and reputational loss.	Initiating efforts to reduce operational and strategic risk profiles and promptly address emerging risks across all business areas.
Risk of supply chain vulnerability - Increased costs of raw materials, utilities and logistics. - Supply chain disruptions due to geopolitical and socio-economic threats.	- Substantial impact on profitability due to rising costs of raw materials, utilities and logistics. - Inability to meet global customers' demand.	- Identifying critical APIs, excipients and other inputs and continuously monitoring pricing trends to make informed purchasing decisions and mitigate cost increases. - Identifying alternative vendors for essential raw materials and nurturing domestic suppliers in India to enhance cost, quality and supply control.
Risk of failure to achieve the objectives of large projects Failure or delay in accomplishing objectives of major inorganic opportunities or capital projects.	Significant impact on profitability and return on investments.	- Ensuring a pragmatic approach to valuation and conducting thorough evaluation and due diligence on all aspects of the project. - Regularly monitoring the implementation of key strategies and the achievement of milestones compared to the plan. - Maintaining discipline in investments and debt procurement.

IPO

Valiant Laboratories Limited IPO was opened from 27th September, 2023 to 3rd October, 2023. The Company was involved in the business of pharmaceutical ingredient manufacturing with a focus on manufacturing paracetamol. The IPO includes a fresh issue of 1,08,90,000 equity shares worth ₹2152.46 crore. The share allotment date is 5th October and the IPO was listed on 6th October on the stock exchanges. The price band was ₹133 to ₹140 per share and the lot size was 105 shares.

Quality Control

The Company places significant emphasis on quality control in all activities of the organisation. The management system, with respect to its manufacturing facility and head office has been certified to conform to ISO 9001:2015. The Company holds Good Manufacturing Practices (GMP) certificate for manufacture and sale of bulk drugs/API for exports. It has quality check protocols which aid it to ensure that all raw materials, work-in-progress and final products conform to the desired quality standards. The Company has implemented internal procedures to ensure quality control at the various stages of production, from procurement of raw materials, production to the inventory storage. The analytical laboratory is well equipped with the required testing equipment to ensure the quality of the products delivered.

Human Resources

The Company has a diverse workforce that collaborates to maintain high service standards while adhering to industry best practices in HR policies. The Company attracts top talent and encourages cross-functional collaboration to build an inclusive work environment. Committed to growth, the Company empowers employees through various training programmes, leadership development modules and engagement sessions. These initiatives include product and process training, behavioural training, sales training, self-management programmes and fraud and risk management training. Utilising HR analytics, the Company ensures leadership transitions through succession planning for the executive committee,

emphasising on the organisational fit. Engaging employees through quarterly newsletters, virtual sessions, workshops and confluences, the Company provides platforms for interaction with business leaders, talent showcasing and family engagement. The Company offers long-term incentives and competitive compensation to retain its top talent.

77

Total number of employees as on 31st March, 2024.

Internal control systems and adequacy

The Company has in place strong internal control procedures commensurate with its size and operations. The Company believes that safeguarding of assets and business efficiency can be prolonged by exercising adequate internal controls and standardising operational processes. The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees.

Cautionary statement

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

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Report of the Board of Directors

To the Members,

The Board of Directors (hereinafter referred to as “**the Board**”) is pleased to present the 3rd (Third) Annual Report of Valiant Laboratories Limited (“**VLL**”) (hereinafter referred to as “**the Company**”) on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2024 (hereinafter referred to as “**year under review**”).

1. CORPORATE OVERVIEW AND GENERAL INFORMATION

The Company was originally formed as a partnership firm under Indian Partnership Act, 1932, under the name and style of “M/s. Bharat Chemicals”. Subsequently, the partnership firm, M/s. Bharat Chemicals was converted into a public limited company under the provisions of the Companies Act, 2013, (hereinafter referred to as “**the Act**”) with the name “Valiant Laboratories Limited” pursuant to certificate of incorporation dated August 16, 2021, issued by Central Registration Centre, Registrar of Companies. The corporate identity number of the Company is L24299MH 2021PLC365904.

2. FINANCIAL HIGHLIGHTS

Particulars	(₹ in Lakhs)			
	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	18,205.24	33,390.95	18,205.72	33,390.95
Other Income	968.15	486.26	968.15	486.26
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	127.32	3,995.32	127.39	3,995.32
Less: Depreciation/ Amortisation/ Impairment	194.79	156.31	196.56	156.31
Profit /loss before Finance Costs, Exceptional items and Tax Expense	(67.47)	3,839.01	(69.17)	3,839.01
Less: Finance Costs	7.78	25.37	7.78	25.37
Profit /loss before Exceptional items and Tax Expense	(75.25)	3,813.64	(76.95)	3,813.64
Add/(less): Exceptional items	-	-	-	-
Profit /loss before Tax Expense	(75.25)	3,813.64	(76.95)	3,813.64
Less: Tax Expense (Current & Deferred)	(109.29)	913.81	(108.91)	913.81
Profit /loss for the year (1)	34.03	2,899.83	31.96	2,899.83
Total Comprehensive Income/loss (2)	17.54	3.20	17.54	3.20
Total (1+2)	51.57	2,903.03	49.50	2,903.03
Balance of profit /loss for earlier years	5,159.18	2,256.15	5,159.18	2,256.15
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Balance carried forward	-	-	-	-

3. COMPANY'S PERFORMANCE/ STATE OF AFFAIRS OF THE COMPANY

On a Standalone basis, the Revenue from Operations for FY 2023-24 was ₹18,205.24 Lakhs, lesser by 45.48% over the previous year's Revenue from Operations of ₹33,390.95 Lakhs. The profit after tax (“**PAT**”) attributable to shareholders for FY 2023-24 was ₹34.03 Lakhs as against ₹2,899.83 lakhs for FY 2022-23.

On a Consolidated basis, the Revenue from Operations for FY 2023-24 was ₹18,205.72 Lakhs, lesser by 45.48 % over the previous year's Revenue from Operations of ₹33,390.95 Lakhs. The profit after tax (“**PAT**”) attributable to shareholders for FY 2023-24 was ₹31.96 Lakhs as against ₹2,899.83 Lakhs for FY 2022-23.

On a Standalone basis, Earning per share stood at ₹0.14 (Basic) and ₹0.14 (Diluted) in FY 2023-24 as compared to ₹8.91 (Basic) and ₹8.91 (Diluted) in FY 2022-23.

On a Consolidated basis, Earning per share stood at ₹0.13 (Basic) and ₹0.13 (Diluted) in FY 2023-24 as compared to ₹8.91 (Basic) and ₹8.91 (Diluted) in FY 2022-23.

4. CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

5. SHARE CAPITAL

Authorized Share Capital

The Authorized Share Capital of the Company as on March 31, 2024, is ₹45,00,00,000/- (Rupees Forty- Five Crore Only) divided into 4,50,00,000 Equity Shares having face value of ₹10/- (Rupees Ten Only) each.

Paid up and subscribed share capital

The paid up and subscribed share capital of the Company as on March 31, 2024, is ₹43,45,00,000/- (Rupees Forty- Three

Crore Forty- Five Lakhs Only) comprising of 4,34,50,000 Equity Shares having face value of ₹10/- (Rupees Ten Only) each.

6. INITIAL PUBLIC OFFERING

During the year under review, the Company made an Initial Public Offer (IPO) through an offer for sale of 1,08,90,000 Equity Shares of face value of ₹10/- (Rupees Ten Only) each of the Company for cash at a price of ₹140/- (Rupees One Hundred Forty Only) per Equity Share aggregating to ₹15,246.00 Lakhs by the selling Shareholders. The issue opened on September 27, 2023, and closed on October 03, 2023. The Company successfully completed the IPO process and the equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on October 06, 2023.

7. DEVIATION & VARIATION

In terms of Regulation 32 of Listing Regulations, the Listed Entity is required to report Deviation and Variation with

respect to funds raised through Public Issue, Rights Issue or Preferential Issue.

In view of the above, the Company post its Issue and Listing of shares on October 06, 2023, had reported deviation and variation through the Monitoring Agency appointed in this regard. The Monitoring Agency in its report for the quarter ended December 31, 2023, stated that, 'As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR), the net issue proceeds pending utilisation shall be deposited only in Scheduled Commercial Banks. However, the Company had parked the part of the unutilised interim proceeds in mutual funds amounting to ₹6,000.00 Lakhs as on December 31, 2023'.

The Company in this regard, clarified that there was no deviation or change in the actual objects for which the funds were raised. Thereafter, the Company redeemed the mutual funds and parked the same into fixed deposits.

Further, for the quarter ended March 31, 2024, no deviation or variation was reported by the Monitoring Agency.

8. CREDIT RATING

The Company has been rated by CRISIL Ratings Limited ("CRISIL") vide its letter dated November 27, 2023 and February 21, 2024, for its Bank Facilities as follows:

Date	Nature of facility	Rating
November 27, 2023	Long term rating	CRISIL A-/Stable (Reaffirmed)
	Short term rating	CRISIL A2+ (Reaffirmed)
February 21, 2024	Long term facilities	CRISIL A-/Negative (Reaffirmed)

Further, CRISIL Ratings Limited, vide its letter dated April 4, 2024, has provided the credit rating as mentioned below:

Date	Nature of facility	Rating
April 4, 2024	Long term rating	CRISIL A-/Negative

The disclosures w.r.t. the said credit ratings were filed with the Stock Exchanges and the same is available on the website of the Company at www.valiantlabs.in.

9. ACQUISITION

During the year under review, the Board of Directors of the Company at its meeting held on October 23, 2023, approved to acquire 16,030 Equity shares having face value of ₹10/- (Rupees Ten Only) each and 5,130 Optionally Convertible Preference Shares having face value of ₹10/- (Rupees Ten Only) each aggregating to ₹165,04,80,000/- (Rupees One Hundred Sixty-Five Crore Four Lakhs Eighty Thousand Only) by way of subscribing to the Rights Issue of Valiant Advanced Sciences Private Limited ("VASPL"), Wholly Owned Subsidiary of the Company. The said acquisition was made at a price of ₹78,000/- (Rupees Seventy Eight Thousand Only) (including Securities Premium of ₹77,990/- (Rupees Seventy Seven Thousand Nine Hundred Ninety Only)).

10. DIVIDEND

With a view to conserve resources for expansion of business, the Directors of the Company have considered it prudent not to recommend any dividend for the year under review.

The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as ("Listing Regulations")) and the same is available on the Company's website at www.valiantlabs.in.

11. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount of profit to the reserves.

12. DETAILS OF HOLDING/ SUBSIDIARY/ ASSOCIATE/ JOINT VENTURE COMPANIES

As on March 31, 2024, the Company has 1 (One) wholly owned subsidiary, namely VASPL.

In accordance with the provisions of the Act, read with the Listing Regulations and relevant Indian Accounting Standards ("Ind AS"), the Board of Directors at its meeting held on May 14, 2024, approved the audited standalone and consolidated financial statements for the year ended March 31, 2024, which forms an integral part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements and separate audited financial statements in respect of subsidiary company are available on the website of the Company at www.valiantlabs.in. The same shall also be sent to the Shareholders electronically who request for the same by sending e-mail to Company at investor@valiantlabs.in from their registered e-mail address.

A statement in Form AOC-1 as required under Section 129 (3) of the Act, containing salient features of the financial statements of the subsidiary company is forming part of this Report in **Annexure- I**.

13. MATERIAL SUBSIDIARY

In line with the provisions of Regulation 16(1)(c) of the Listing Regulations, VASPL falls under the purview of a material subsidiary of the Company for FY 2023-24. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the requirements of Listing Regulations. The said Policy is available on the Company's website at www.valiantlabs.in.

14. RELATED PARTY TRANSACTIONS AND THE MANNER OF DEALING WITH REALTED PARTY TRANSACTIONS

The Company has formulated a policy on the Related Party Transactions and the same is available on the Company's website at www.valiantlabs.in.

All the related party transactions are placed before the Audit Committee for their review and approval. Omnibus approval is obtained for the transactions which are repetitive in nature and also for the transactions which are not foreseen (subject to financial limit). A statement of all related party transactions is presented before the Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions.

All transactions entered with related parties were in compliance with the applicable provisions of the Act, read with the relevant rules made thereunder, the Listing Regulations and the Company's policy on related party transactions.

Further, all related party transactions entered into by the Company during the year under review were in the ordinary course of business, on arm's length basis and the same were in compliance with the applicable provisions of the Act, and the Listing Regulations, as specified under the provisions of Section 134(3)(h) of the Act, and Rule 8 of the Companies(Accounts) Rules, 2014, is forming part of this report in **Annexure- II** in Form AOC - 2.

15. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023, in Form MGT-7 in accordance with the provisions of Section 92(3) and Section 134 (3) (a) of the Act and Rule

12 of the Companies (Management and Administration) Rules, 2014, is available on the Company's website at www.valiantlabs.in.

16. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is forming part of this report in **Annexure- III**.

17. PARTICULARS OF DEPOSITS

The Company has not accepted any deposit under Rule 2(c) of the Companies (Acceptance of Deposits) Rules, 2014, within the meaning of Sections 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification(s) or re-enactment(s) for the time being in force).

18. LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 of the Act, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

19. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

As on March 31, 2024, the Company has 6 (Six) Directors with an optimum combination of Executive and Non-Executive Directors including 1 (One) Women Director. The Board comprises of 4 (Four) Non-Executive Directors, out of which 2 (Two) are Independent Directors. During the year under review, the Board met 13 (Thirteen) times on May 15, 2023, May 23, 2023, June 5, 2023, July 22, 2023, August 3, 2023, August 7, 2023, August 29, 2023, September 18, 2023, October 3, 2023, October 4, 2023, October 23, 2023, November 6, 2023 and February 9, 2024.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, read with provisions contained in the Articles of Association of the Company, Mr. Pares Shah (DIN: 08291953) shall be liable to retire by rotation at the ensuing Annual General Meeting ("AGM") of the Company and, being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board has recommended his re-appointment.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standards- II on General Meetings necessary details of Directors appointed on the Board of the Company are provided as an **Annexure- II** to the notice of the AGM.

Appointments and Resignations

a. Appointments

During the year under review, there was no change in the composition of the Board of Directors of the Company. However, the Board at its meeting held on May 14, 2024, based on the recommendations of the Nomination and Remuneration Committee approved the following:

- (i) Appointment of Mr. Mulesh Savla (DIN: 07474847) as an Additional Non- Executive Independent Director of the Company for a period of 5 (Five) years w.e.f. May 14, 2024, subject to approval of shareholders at the ensuing AGM of the Company.
- (ii) Appointment of Ms. Prajakta Patil (ACS – 53370) as Company Secretary, Compliance Officer and Key Managerial Personnel w.e.f. May 14, 2024.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standards- II on General Meetings necessary details of Directors appointed on the Board of the Company are provided as an **Annexure- II** to the notice of the AGM.

b. Resignation

Ms. Saloni Mehta resigned from the position of the Company Secretary and Compliance Officer of the Company w.e.f. close of business hours of March 31, 2024.

Director(s) Disclosure

Based on the declarations and confirmations received from the Directors, none of the Directors of the Company are disqualified from being appointed/ continuing as Directors of the Company.

A certificate of non - disqualification of directors obtained from M/s. Sunil M. Dedhia & Co is provided as **Annexure II** to the Report on Corporate Governance.

Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director stating that they meet the criteria of independence as laid out in Section 149(6) and 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the Listing Regulations. The Company has also received from them declaration of compliance of Rule 6 (1) & (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding online registration with the "Indian Institute of Corporate Affairs" at Manesar, for inclusion of name in the data bank of Independent Directors.

Familiarisation Programmes

The Company has conducted Familiarisation Programmes for the Independent Directors of the Company covering the matters as specified in Regulation 25(7) of the Listing Regulations. The details of the training and familiarisation programmes

conducted by the Company are available on the Company's website at www.valiantlabs.in.

Annual Evaluation of Directors, Committees and Board

Pursuant to the provisions of the Act and as per the Listing Regulations, the Board of Directors carried out annual performance evaluation of its own performance, the directors, individually as well as the working of its Committees.

The performance of the Board as a whole and of its Committees was evaluated by the Board through structured questionnaire which covered various aspects such as the composition and quality, meetings and procedures, contribution to Board processes, effectiveness of the functions allocated, relationship with management, professional development, adequacy, appropriateness and timeliness of information, etc.

Taking into consideration the responses received from the Individual Directors to the questionnaire, performance of the Board and its Committees was evaluated. The Directors expressed their satisfaction with the evaluation process.

In terms of requirements of Schedule IV of the Act, a separate meeting of Independent Directors of the Company was held on Thursday, February 08, 2024, to review:

- (i) The performance of non-independent directors and the Board as a whole and its Committees thereof;
- (ii) The performance of the Chairperson of the Company, taking into account the views of executive directors and non- executive directors;
- (iii) To assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year:

With regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year under review, the Board of Directors have taken on record the declarations and confirmations submitted by the Independent Directors and is of the opinion that the Independent Director is a person of integrity and possesses relevant expertise and experience and his continued association as Director will be of immense benefit and in the best interest of the Company.

Regarding proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the institute, as notified under sub-section (1) of section 150 of the Act, the Board of Directors have taken on record the information submitted by Independent Director that he/she has complied with the applicable laws.

Key Managerial Personnel

In accordance with the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014, the following are the Key Managerial Personnel of the Company:

- (i) Mr. Santosh Vora, Managing Director (MD)
- (ii) Mr. Paresh Shah, Chief Financial Officer (CFO)
- (iii) Ms. Saloni Mehta, Company Secretary & Compliance Officer (resigned w.e.f. March 31, 2024) (CS & CO)
- (iv) Ms. Prajakta Patil, Company Secretary & Compliance Officer (appointed w.e.f. May 14, 2024) (CS & CO)

20. DISCLOSURES RELATED TO COMMITTEES

Audit Committee (AC)

The Company's AC composition is in line with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

The composition of the AC is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Velji Gogri	Non- Executive and Independent Director	Chairperson
2.	Mrs. Sonal Vira	Non- Executive and Independent Director	Member
3.	Mr. Shantilal Vora	Non- Executive Director	Member

The Members of the AC are financially literate and have requisite accounting and financial management expertise. The terms of reference of the AC and the particulars of meetings held and attendance thereat are mentioned in the

Corporate Governance Report forming part of this Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee (NRC)

The composition of the NRC is in conformity with the provisions of the Section 178 of the Act and Regulation 19 of the Listing Regulations.

The composition of the NRC is as under:

Sr. No.	Name	Category	Designation
1.	Mrs. Sonal Vira	Non- Executive and Independent Director	Chairperson
2.	Mr. Velji Gogri	Non- Executive and Independent Director	Member
3.	Mr. Shantilal Vora	Non- Executive Director	Member

The terms of reference of the NRC and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms an integral part of this Annual Report.

The Company has formulated Nomination and Remuneration Policy, which sets standards for appointment, remuneration and evaluation of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.

The said policy, inter-alia, includes the criteria for determining qualifications, attributes, independence of Directors as required under sub-section (3) of Section 178 of the Act and the Listing Regulations.

The Nomination and Remuneration Policy of the Company is available on the Company's website at www.valiantlabs.in.

Stakeholders Relationship Committee (SRC)

Pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations, the SRC was constituted by the Board of Directors.

The composition of SRC is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Velji Gogri	Non- Executive and Independent Director	Chairperson
2.	Mrs. Sonal Vira	Non- Executive and Independent Director	Member
3.	Mr. Santosh Vora	Managing Director	Member

The brief terms of reference of the SRC and particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms an integral part of this Annual Report.

Corporate Social Responsibility Committee (CSR Committee)

In accordance with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, ("CSR Rules, 2014") as amended from time to time, the Board of Directors of the Company has constituted a CSR Committee.

The composition of the CSR Committee is as under:

Sr. No.	Name	Category	Designation
1.	Mr. Velji Gogri	Non- Executive and Independent Director	Chairperson
2.	Mr. Paresh Shah	Executive Director	Member
3.	Mr. Shantilal Vora	Non- Executive Director	Member

The brief terms of reference, particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms an integral part of this Annual Report.

The brief outline of the Company's CSR initiatives undertaken during the year under review is forming part of this report in **Annexure-IV** in the format as prescribed in the CSR Rules, 2014 as amended from time to time. The Company's CSR Policy is available on the website of the Company at www.valiantlabs.in.

records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. the annual accounts have been prepared on a going concern basis;
- e. the Directors have laid down proper internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

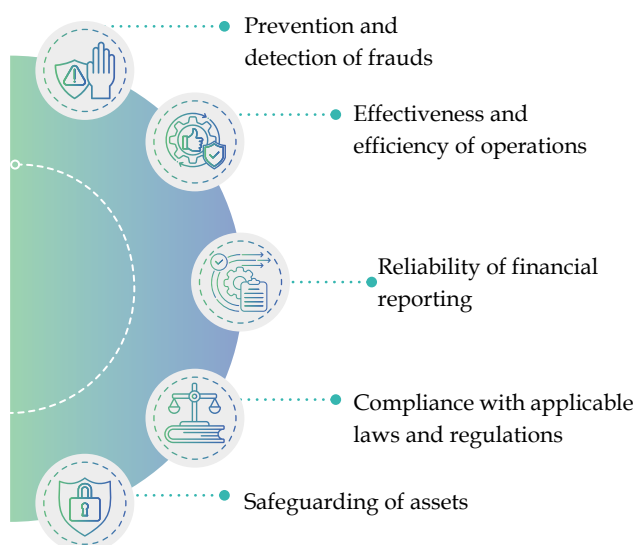
21. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) and 134(5) of the Act, Directors of the Company confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the Directors have selected appropriate 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;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting

22. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Internal Financial Controls are an integral part of the risk management process which in turn is a part of Corporate Governance addressing financial and financial reporting risks. The Internal Financial Controls have been documented and embedded in the business processes. The Company's approach on Corporate Governance has been detailed in the Corporate Governance Report. The Company has deployed the principles enunciated therein to ensure adequacy of Internal Financial Controls with reference to:



The Company has defined policies and standard operating procedures for all key business processes to guide business operations in an ethical and compliant manner. Compliance of these policies is ensured through periodic self-assessment as well as internal and statutory audits. The Company has robust systems which are an integral part of internal control framework. The Company continues to constantly leverage technology in enhancing the internal controls.

The Audit Committee of the Board reviews the internal processes, systems and the internal financial controls and accordingly, the Directors' Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls. Assurances on the effectiveness of Internal Financial Controls is obtained through management reviews, self-assessment, continuous monitoring by functional heads as well as testing of the internal financial control systems by the internal auditors during the course of their audits. The Company believes that these systems provide reasonable assurance that the internal financial controls are designed effectively and are operating as intended.

The Statutory Auditor's Reports on Internal Financial Controls as required under Clause (i) of sub-section 3 of Section 143 of the Act is annexed with the Independent Auditors' Report.

23. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and in accordance with Regulation 22 of the Listing Regulations, the Company had adopted 'Vigil Mechanism/ Whistle Blower Policy' for Directors, Employees and other Stakeholders of the Company to report concerns about unethical behaviour. The policy provides a mechanism, which ensures adequate safeguards to Employees, Directors and other stakeholders from any victimisation on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, and so on. The employees of the Company have the right/option to

report their concern/grievance to the Chairman of the Audit Committee.

The mechanism adopted by the Company encourages the Whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower to those who avail such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. During the year under review, the Company has not received any complaints.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism/ Whistle Blower Policy is available on the Company's website at www.valiantlabs.in.

24. RISK MANAGEMENT

For the Company, Risk Management is an integral and important aspect of Corporate Governance. The Company believes that a robust Risk Management Framework ensures adequate controls and monitoring mechanisms for smooth and efficient running of the business. A risk-aware organization is better equipped to maximize shareholder value.

The risk management objectives of the company are:-



Pursuant to section 134 (3)(n) of the Act, the company has formulated a risk management policy which is available on the website of the company at www.valiantlabs.in.

Risk management process:-

The Company's Risk Management Process encompasses the following steps:

- i. **Risk Identification:** Identification of all internal and external risks that may impact our ability to achieve objectives and goals.
- ii. **Root Cause Analysis:** Determining the underlying reasons for a risk element's existence.
- iii. **Risk Scoring:** Analysing internal processes to determine the likelihood and impact of risk elements.
- iv. **Risk Categorisation:** Grouping identified risks into controlled, serious, disruptive, severe, and critical categories.
- v. **Risk Mitigation:** Developing mitigation action to manage identified risks and limit their impact.
- vi. **Risk Monitoring & Reporting:** Assessing risk management components and ensuring quality of performance is conducted through self- assessments and reporting of key risks to the Board.

25. CORPORATE SOCIAL RESPONSIBILITY

During the FY 2023-24, the Company has spent ₹67.44 Lakhs towards Corporate Social Responsibility (CSR) activities approved by the CSR Committee and the Board of Directors, from time to time. The CSR initiatives of the Company were primarily under the thrust areas of promoting education, healthcare and women empowerment.

The Report on CSR activities as required under the CSR Rules, 2014, along with the brief outline of the CSR policy in **Annexure- IV** is forming part of this Report. The Company's CSR Policy has been uploaded on Company's website at www.valiantlabs.in.

The brief terms of reference, particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming an integral part of this Annual Report.

26. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ("**POSH Act**") and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace.

The Company is committed to providing a safe and conducive work environment to all its employees and associates. All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy is available on the website of the Company for information of all employees at www.valiantlabs.in. An Internal Complaints Committee has been set up in compliance with the POSH Act.

Details of complaints received during the year under review under POSH Act are as under:

- a. Number of complaints filed during the financial year: **NIL**.
- b. Number of complaints disposed of during the financial year: **NIL**.
- c. Number of complaints pending as on end of the financial year: **NIL**.

27. REMUNERATION OF DIRECTORS AND EMPLOYEES

Disclosure comprising particulars with respect to the remuneration of directors and employees, as required to be disclosed in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **Annexure – V** forming part of this report.

The report and financial statements are being sent to the members of the Company excluding the statement of particulars of employees under Rule 5(2). However, these are available for inspection during business hours up to the date of the forthcoming AGM at the registered office of the Company.

28. ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company is conscious of the importance of environmentally clean and safe operations. It requires conduct of operations in such a manner so as to ensure safety of all concerns, compliances of environmental regulations and preservation of natural resources.

The Company recognizes the pivotal role of EHS in shaping the operations and upholding commitment to sustainability and responsible corporate citizenship. This encapsulates the key EHS highlights from the previous years, underscoring the company's dedication for fostering a culture of excellence in environmental stewardship, employee well-being, and safety across the chemical industry.

29. EMPLOYEES STOCK OPTION PLAN (ESOP)

The NRC and Board at their meetings held on January 4, 2023, approved "Valiant Laboratories – Employees Stock Option Plan – 2023" ("**Plan**") and grant of Employees Stock Options to employees of subsidiary company under the Plan.

Subsequently, the said Plan and grant of ESOP to the employees of subsidiary company was approved by the shareholders of the company at their meeting held on January 20, 2023.

30. REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

The Report on Management Discussion and Analysis, pursuant to the provisions of Regulation 34 read with Part B of Schedule V of Listing Regulations on the operations of the Company, as required under the Listing Regulations is provided in a separate section and forms an integral part of this Annual Report.

31. REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance, pursuant to the provisions of Regulation 34 read with Part C of Schedule V of Listing Regulations on the operations of the Company, as required under the Listing Regulations is provided in a separate section and forms an integral part of this Annual Report.

32. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

The Listing Regulations stipulate that the top 1000 listed companies by market capitalization must include a Business Responsibility & Sustainability Report (BRSR) in their Annual Report. This requirement aims to enhance transparency and accountability regarding the environmental, social and governance (ESG) practices of these companies. However, the Company is not ranked amongst the top 1000 listed entities for the FY 2023-24. Consequently, the company is not required to include the BRSR in the Annual Report for this period.

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

However, member's attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

34. MATERIAL TRANSACTIONS POST CLOSURE OF THE FINANCIAL YEAR

There were no material transactions affecting the financial position of the Company during the period from the end of the financial year and until the date of this report.

35. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, DURING THE YEAR UNDER REVIEW ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, there was no application made and proceeding initiated/ pending by any Financial and/or Operational Creditors against the Company under the Insolvency and Bankruptcy Code, 2016 ("the Code"). Further, there is no application or proceeding pending against the Company under the Code.

36. AUDITORS AND REPORTS OF THE AUDITORS

Statutory Auditor

M/s. Raman S. Shah & Co., Chartered Accountants (Firm Registration No. 111919W) were appointed as Statutory Auditors of the Company for a period of 2 (Two) consecutive years at the AGM of the Members held on September 27, 2022, to hold office from the conclusion of the 1st (First) AGM of the Company till the conclusion of the 3rd (Third) AGM at a remuneration as may be mutually agreed upon by the Board of Directors and the Statutory Auditors.

M/s. Raman S. Shah & Co. are eligible and willing to be re-appointed for a 2nd (Second) term of 5 (Five) years. They have conveyed their eligibility and consent in writing for re-appointment as the "Statutory Auditors" of the Company and have issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Act and the rules made thereunder.

Further, the Audit Committee & Board of Directors at their meeting held on May 14, 2024, have recommended the re-appointment of M/s. Raman S. Shah & Co. for a 2nd (Second) term of 5 (Five) consecutive years from the FY 2024- 25 to FY 2028- 29. Pursuant to the amendments of Section 139 of the Act and the Companies Amendment Act, 2017, notified on May 7, 2018, the requirement of ratification of appointment of Statutory Auditors by the shareholders at every AGM has been withdrawn.

The Report of the Auditors is provided in a separate section and forms an integral part of this Annual Report. The Statutory Auditor's report does not contain any qualification, reservation or adverse remark for the year under review.

During the year under review, there were no instances of fraud which requires the Statutory Auditors to report the same to the Central Government under Section 143(12) of the Act and Rules framed thereunder.

Cost Auditor

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and accordingly, such accounts are prepared and records have been maintained relating to Drugs and Pharmaceuticals division. The Report of the Cost Audit for the year ended March 31, 2023, for the Drugs and Pharmaceuticals division was filed with the Ministry of Corporate Affairs within the prescribed time.

The Board of Directors at their meeting held on May 14, 2024, on the recommendation of Audit Committee, has re-appointed M/s. Ketki D. Visariya & Co., Cost Accountants, (Firm Registration Number: 000362) as the Cost Auditor of the Company to audit the cost accounts of the Company's Drugs and Pharmaceuticals Division for the FY 2024-25.

As required under the Act, a resolution seeking member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Company had appointed M/s. Sunil M. Dedhia & Company (COP No.: 2031) to undertake the Secretarial Audit of the Company for the FY 2023-24. The Secretarial Audit Report in **Annexure- VI** in Form MR-3 forms a part of this Report.

Pursuant to Regulation 24A of Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/

CIR/P/2023/120 dated July 11, 2023, the Annual Secretarial Compliance Report of the Company is available on the website of the Company at www.valiantlabs.in.

The Secretarial Audit Report and Secretarial Compliance Report for the FY 2023-24, do not contain any qualification, reservation, or adverse remark.

The Board of Directors at their meeting held on May 14, 2024, has re-appointed M/s. Sunil M. Dedhia & Company, (COP No.: 2031) as the Secretarial Auditor for FY 2024-25 at a remuneration as may be mutually agreed between the auditor and the Company.

37. SECRETARIAL STANDARDS

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Act.

38. ACKNOWLEDGEMENT

The Board of directors takes this opportunity to thank Company's employees at all levels for their hard work and commitment. The Directors would like to express their grateful appreciation for the assistance and support received from the Shareholders, Government Authorities, Auditors, Financial Institutions, Customers, Employees, Suppliers, other business associates and various other stakeholders. The Board looks forward for continued support of all these partners in the future.

For and on behalf of the Board

Sd/-
Santosh Vora
Managing Director
DIN: 07633923

Sd/-
Paresh Shah
Executive Director &
Chief Financial Officer
DIN: 08291953

Place: Mumbai
Date: May 14, 2024

Annexure 'I' to the Report of the Board of Directors

FORM NO. 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 Subsidiary

Sr. No.	Particulars	Valiant Advanced Sciences Private Limited
1	The date since when subsidiary was acquired	July 08, 2022
2	Share capital	1,91,690.50
3	Reserves and Surplus	80,93,32,224.67
4	Total Assets	98,93,18,364.11
5	Total Liabilities	98,93,18,364.11
6	Investments	0.00
7	Turnover	48,000.00
8	Profit before taxation	(1,71,313.00)
9	Provision for taxation	37,469.00
10	Profit after taxation	(2,08,782.00)
11	Proposed Dividend	0.00
12	Extent of shareholding (in percentage)	100%

Note: The Pilot Plant was commenced from March 2024.

- Names of subsidiaries which are yet to commence operations:- **NIL**
- Names of subsidiaries which have been liquidated or sold during the year:- **NIL**

PART-B Associates and Joint Ventures

Note: (i) The Company does not have any associate/ joint venture company as on March 31, 2024.

(ii) Names of the associate or joint ventures which are yet to commence operations - **NIL**

(iii) Names of the associate or joint ventures which have been liquidated or sold during the year - **NIL**

For and on behalf of the Board

Sd/-
Santosh Vora
Managing Director
DIN: 07633923

Sd/-
Paresh Shah
Executive Director &
Chief Financial Officer
DIN: 08291953

Place: Mumbai
Date: May 14, 2024

Annexure 'II'

to the Report of the Board of Directors

FORM NO. AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	Aarti Pharmalabs Limited(Promoter Group)	Rent Income	Continuous Basis	Contract for Purchase of Goods shall be on a continuous basis.Monetary value of aggregate transactions during the financial year 2023-24 upto ₹247.80 lakhs.	May 15, 2023	NIL
2.	Aarti Pharmalabs Limited(Promoter Group)	Sale of Services	Continuous Basis	Contract for Purchase of Goods shall be on a continuous basis.Monetary value of aggregate transactions during the financial year 2023-24 upto ₹2.99 lakhs.	May 15, 2023	NIL
3.	Aarti Pharmalabs Limited(Promoter Group)	Purchase of Goods	Continuous Basis	Contract for Purchase of Goods shall be on a continuous basis.Monetary value of aggregate transactions during the financial year 2023-24 upto ₹490.95 lakhs.	May 15, 2023	NIL
4.	Aarti Pharmalabs Limited(Promoter Group)	Others - Reimbursement	Continuous Basis	Contract for Purchase of Goods shall be on a continuous basis.Monetary value of aggregate transactions during the financial year 2023-24 upto ₹570.07 lakhs.	May 15, 2023	NIL

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
5.	Valiant Organics Limited(Ulimate Holding)	Purchase of Goods	Continuous Basis	Contract for Purchase of Goods shall be on a continuous basis.Monetary value of aggregate transactions during the financial year 2023-24 upto ₹11,610.75 lakhs.	May 15, 2023	NIL
6.	Valiant Organics Limited(Ulimate Holding)	Sale of Asset	One time	Contract for Sale of Asset shall be a one time transaction. Monetary value of aggregate transaction during the financial year 2023-24 upto ₹25.49 lakhs.	May 15, 2023	NIL

For and on behalf of the Board

Sd/-
Santosh Vora
 Managing Director
 DIN: 07633923

Sd/-
Paresh Shah
 Executive Director &
 Chief Financial Officer
 DIN: 08291953

Place: Mumbai
 Date: May 14, 2024

Annexure 'III' to the Report of the Board of Directors

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (3) of Companies (Accounts) Rules, 2014.

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

On basis of regular monitoring of our high power consuming equipment's we have further installed VFD (Variable frequency drives) to reduce the power consumption and also increasing the life of the equipment. Through various initiatives we were able to decrease our steam consumption and increase steam condensate recovery

(ii) The steps taken by the Company for utilizing alternate sources of energy

All lighting fixtures have been changed to Energy efficient LED Lights at factory level as well as offices.

(iii) The capital investment on energy conservation equipment.

Company has invested ₹169.00 Lakhs on installation of VFD's, MVR.

(B) Technology Absorption

(i) The efforts made towards technology absorption

Not Applicable

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Considering the installataion of MVR and other steam management accessories, the company has managed to reduce the steam consumption and increase the steam condensate recovery, which in turn has contributed in reduction of cost.

(iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year).

- | | |
|---|-------|
| (a) The details of technology imported | - NIL |
| (b) The year of import | - NIL |
| (c) Whether the technology been fully absorbed | - NIL |
| (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof | - NIL |

(iv) The expenditure incurred on Research and Development

NIL

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings - NIL

Foreign Exchange Outgo - ₹16.67 Lakhs

For and on behalf of the Board

Sd/-
Santosh Vora
Managing Director
DIN: 07633923

Sd/-
Paresh Shah
Executive Director &
Chief Financial Officer
DIN: 08291953

Place: Mumbai
Date: May 14, 2024

Annexure 'IV'

to the Report of the Board of Directors

The Annual report on Corporate Social Responsibility activities carried out during FY 2023-24

1. Brief outline on Corporate Social Responsibility Policy of the Company:

The Corporate Social Responsibility (CSR) policy of the Company is formulated in accordance with Section 135 of the Companies Act, 2013, ("Act") and Schedule VII of the Act. Guided by its core values, the Company is committed to impactful CSR initiatives that extend beyond financial contributions.

The policy underscores a comprehensive approach to community development, focusing on areas such as education, healthcare, women empowerment, environmental sustainability, destitution rehabilitation, preservation of Indian art and culture, rural progress, and disaster relief. The policy reflects meticulous planning and implementation, with a dedicated CSR Committee ensuring the selection, execution, and monitoring of projects in alignment with guiding principles. The Board's responsibilities encompass policy approval, annual action plan endorsement, and oversight to ensure CSR projects effectively benefit marginalized communities. The Company's ethical and transparent approach aligns with its Code of Conduct, emphasizing the pursuit of sustainable impact through strategic CSR endeavors.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Velgi Gogri	Chairman	1	1
2.	Mr. Paresh Shah	Member	1	1
3.	Mr. Shantilal Vora	Member	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company at www.valiantlabs.in.

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. (a) Average net profit of the company as per sub-section (5) of section 135: - ₹ 3415.70 Lakhs
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: - ₹ 68.31 Lakhs
- (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: - ₹ 2.22 Lakhs
- (e) Total CSR obligation for the financial year [(b)+(c) - (d)]: - ₹ 66.09 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): - ₹ 67.44 Lakhs
- (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)]: - ₹ 67.44 Lakhs
- (e) CSR amount spent or unspent for the Financial Year: -

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in lakhs)				
	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.
67.44 Lakhs			Not Applicable		

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

Sr. No.	Particular	Amount (in lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹66.09
(ii)	Total amount spent for the Financial Year	₹67.44
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹1.35
(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)]	₹1.35

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (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 sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
								Not Applicable

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: - **NIL**

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

For and on behalf of the Board

Sd/-
Santosh Vora
Managing Director
DIN: 07633923

Sd/-
Paresh Shah
Executive Director &
Chief Financial Officer
DIN: 08291953

Place: Mumbai
Date: May 14, 2024

Annexure 'V'

to the Report of the Board of Directors

Disclosure pursuant to Section 197 (12) of Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- 1) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2023-24:**

Name of the Directors	Nature of Directorship	Ratio
Mr. Santosh Vora	Managing Director	3.76:1
Mr. Paresh Shah	Executive Director & Chief Financial Officer	4.70:1
Mr. Velji Gogri	Non-Executive Independent Director	0.30:1
Mrs. Sonal Vira	Non-Executive Independent Director	0.29:1
Mr. Sandeep Gupta	Non-Executive Director	0.20:1
Mr. Shantilal Vora	Non-Executive Director	0.29:1

Notes:

1. Directors' Remuneration includes sitting fees to Non-Executive Directors and Non-Executive Independent Directors for attending board / committee meetings.

- 2) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year 2023-24:**

Name	Designation	Percentage Increase in remuneration
Mr. Santosh Vora	Managing Director	--
Mr. Paresh Shah	Executive Director & Chief Financial Officer	--
Mr. Velji Gogri	Non-Executive Independent Director	NA
Mrs. Sonal Vira	Non-Executive Independent Director	NA
Mr. Sandeep Gupta	Non-Executive Director	NA
Mr. Shantilal Vora	Non-Executive Director	NA
Ms. Saloni Mehta*	Company Secretary	33.44

*Ms. Saloni Mehta has resigned as the Company Secretary & Compliance Officer of the Company w.e.f. March 31, 2024.

- 3) **The percentage increase in the median remuneration of employees in the financial year 2023-24:** There has been no increase in median remuneration of employees in FY2023-24.
- 4) **The number of permanent employees on the rolls of Company as on 31st March, 2024.:** 77
- 5) **Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not Applicable
- 6) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is affirmed that the remuneration paid to Directors, Key Managerial Persons and other employees is as per Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-
Santosh Vora
 Managing Director
 DIN: 07633923

Sd/-
Paresh Shah
 Executive Director &
 Chief Financial Officer
 DIN: 08291953

Place: Mumbai
 Date: May 14, 2024

Annexure 'VI' to the Report of the Board of Directors

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

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

To,
The Members,
Valiant Laboratories Limited
(CIN: L24299MH2021PLC365904)
104, Udyog Kshetra, Mulund Goregoan Link Road,
Mulund(West), Mumbai 400080

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Valiant Laboratories Limited** (hereinafter called "**the Company**"). **The equity shares of the Listed Entity got listed on BSE Limited and the National Stock Exchange of India Limited effective October 6, 2023.** Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the applicable 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 which were not applicable to the Company during Audit Period;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings, which were not applicable to the Company during Audit Period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which were not applicable to the Company during Audit Period;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 which were not applicable to the Company during Audit Period;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 which were not applicable to the Company during Audit Period; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 which were not applicable to the Company during Audit Period;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the Audit Period under review and as per the representations and clarifications made, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that based on review of compliance system prevailing in the Company, I am of the opinion that the Company has adequate systems and processes in place commensurate with its size and nature of operations to monitor and ensure compliance with the following laws applicable specifically to the Company:

- (a) Petroleum Act, 1934 and Rules made thereunder;
- (b) Drugs and Cosmetic Act, 1940 and Rules made thereunder;
- (c) The Explosive Act, 1884 and Rules made thereunder;
- (d) The Insecticides Act, 1968;
- (e) Narcotic Drugs and Psychotropic Substances Act, 1985;
- (f) The Indian Boilers Act, 1923 & The Indian Boilers Regulations, 1950;
- (g) The Chemical weapon convention Act, 2000, and the Rules made thereunder;
- (h) Air (Prevention and Control of Pollution) Act, 1981;
- (i) Water (Prevention and Control of Pollution) Act, 1974;
- (j) The Noise (Regulation and Control) Rules, 2000;
- (k) Environment Protection Act, 1986 and other environmental laws;
- (l) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016; and
- (m) Public Liability Insurance Act, 1991.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during

the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I 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.

I further report that during the Audit Period under review, the Company made initial public offer of 1,08,90,000 equity shares of ₹10/- each at an issue price of ₹140/- per share raising ₹152.46 crore. There were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

This report is to be read with Annexure which forms an integral part of this report.

Sd/-

CS Sunil M. Dedhia

Proprietor, Sunil M. Dedhia & Co.

Practising Company Secretary

FCS No: 3483 C.P. No. 2031

Peer Review Certificate No. 867/2020

UDIN: F003483F000671381

Place: Mumbai

Date: July 4, 2024

Annexure to Secretarial Audit Report

To,
The Members,
Valiant Laboratories Limited
(CIN: L24299MH2021PLC365904)
104, Udyog Kshetra, Mulund Goregoan Link Road,
Mulund(West), Mumbai 400080

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai
Date: July 4, 2024

Sd/-
CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Practising Company Secretary
FCS No: 3483 C.P. No. 2031
Peer Review Certificate No. 867/2020
UDIN: F003483F000671381

Report on the Corporate Governance

The Company's Report on Corporate Governance for the year ended March 31, 2024, is in compliance with the principles of Corporate Governance as prescribed in Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**Listing Regulations**")

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate governance refers to the framework of rules and practices through which the Board of Directors ensures accountability, fairness, and transparency in a company's relationship with all its stakeholders.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising employees, investors, customers, regulators, suppliers and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark.

Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Care, integrity and excellence are key to our corporate governance practices and performance. The Company endeavours to gain and retain the trust of the stakeholders at all times and ensures the same by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. These Governance Practices help enhancement of long-term interest of Stakeholders and also help to align with our strategy **Building Trust, Upholding Legacy & Delivering Value.**

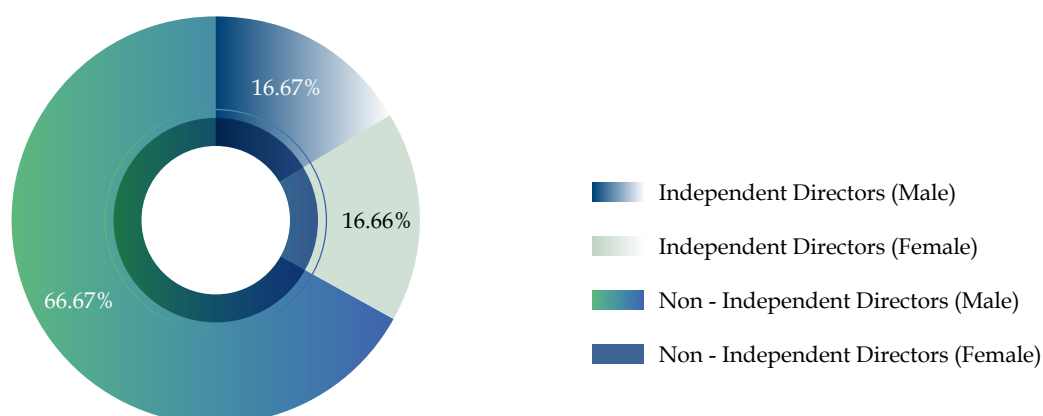
The Board fully appreciates the need for increased awareness for responsibility, transparency and professionalism in management of the organisation. The Board believes that Corporate Governance is not an end, it is just the beginning towards growth of the Company for long term prosperity. Continuous efforts taken towards strong governance practice have rewarded the Company in the sphere of stakeholders' confidence, valuation, market capitalisation and high credit rating.

II. BOARD OF DIRECTORS

- As on March 31, 2024, the following was the Composition of the Board of Directors:

Category	Number of Directors		Gender Diversity			
			Male		Female	
	Nos	%	Nos	%	Nos	%
Independent	2	33.33	1	16.67	1	16.66
Non-Independent	4	66.67	4	66.67	NIL	-

Graphical Representation of the Board



The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Sections 149 and 152 of the Companies Act, 2013 (hereinafter referred to as "**the Act**").

2. None of the Directors on the Board:
- holds directorships in more than ten public companies;
 - serves as Director or as Independent Directors in more than seven listed entities; and
 - who are the Executive Directors, and serve as Independent Directors in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors. None of the Directors are related to other Directors and the Key Managerial Personnel of the Company except Mr. Santosh Vora and Mr. Shantilal Vora.

3. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors are not aware of any circumstance or situation which

exists or could be reasonably anticipated that would impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Furthermore, none of the Independent Directors have resigned during the year under review.

Moreover, Mr. Mulesh Savla was appointed as an Additional Non-Executive Independent Director w.e.f. May 14, 2024, and seeks approval of the shareholders at the ensuing Annual General Meeting ("AGM").

4. 13 (Thirteen) Board Meetings were held during the year under review and the gap between the two meetings did not exceed one hundred and twenty days. All necessary information including but not limited to those mentioned in Part A of Schedule II to the Listing Regulations, are placed before the Board. The said meetings were held on: May 15, 2023, May 23, 2023, June 5, 2023, July 22, 2023, August 3, 2023, August 7, 2023, August 29, 2023, September 18, 2023, October 3, 2023, October 4, 2023, October 23, 2023, November 6, 2023 and February 9, 2024. The necessary quorum was present for all the meetings. The details of director's attendance at Board Meetings held during the year under review and at the last AGM are provided herein below:

Date of Board Meetings	Name of Director					
	Mr. Velji Gogri	Mr. Santosh Vora	Mr. Paresh Shah	Mr. Shantilal Vora	Mr. Sandeep Gupta	Mrs. Sonal Vira
May 15, 2023	✓	✓	✓	✓	✓	✓
May 23, 2023	✓	✓	✓	✓	✓	✓
June 5, 2023	✓	✓	✓	✓	✓	✓
July 22, 2023	✓	✓	✓	✓	✓	✓
August 3, 2023	✓	✓	✓	✓	✓	✓
August 7, 2023	✓	✓	✓	✓	✓	✓
August 29, 2023	✓	✓	✓	✓	✓	✓
September 18, 2023	✓	✓	✓	✓	✓	✓
October 3, 2023	✓	✓	✓	✓	✓	✓
October 4, 2023	✓	✓	✓	✓	✓	✓
October 23, 2023	✓	✓	✓	✓	✓	✓
November 6, 2023	✓	✓	✓	✓	✓	✓
February 9, 2024	✓	✓	✓	✓	✓	✓
Whether attended last AGM held on September 13, 2023	✓	✓	✓	✓	⊗	✓

5. The names and categories of the directors on the Board, name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2024, are given herein below:

Name of the Director and DIN	Category	Directorships as on March 31, 2024		Shareholding in the Company		Number of Committee Membership in other Companies (excluding VLL)	
		Total no. of Directorships (excluding VLL)	Directorship held in other listed companies	No. of Shares	% of holding	Chairman	Member
Mr. Velji Gogri (DIN: 02714758)	Non - Executive Independent	-	-	0	00.00	-	-
Mr. Santosh Vora (DIN: 07633923)	Managing Director	2	Valiant Organics Limited (NED (non-Idpt))	32,59,190	7.50	-	-
Mr. Paresh Shah (DIN: 08291953)	Executive Director & Chief Financial Officer	1	None	40,67,690	9.36	-	-
Mr. Shantilal Vora (DIN: 07633852)	Non - Executive	-	-	32,59,190	7.50	-	-
Mr. Sandeep Gupta (DIN: 09245060)	Non - Executive	-	-	00.00	00.00	-	-
Mrs. Sonal Vira (DIN: 09505883)	Non - Executive Independent	2	Valiant Organics Limited (NED (Idpt))	00.00	00.00	-	1

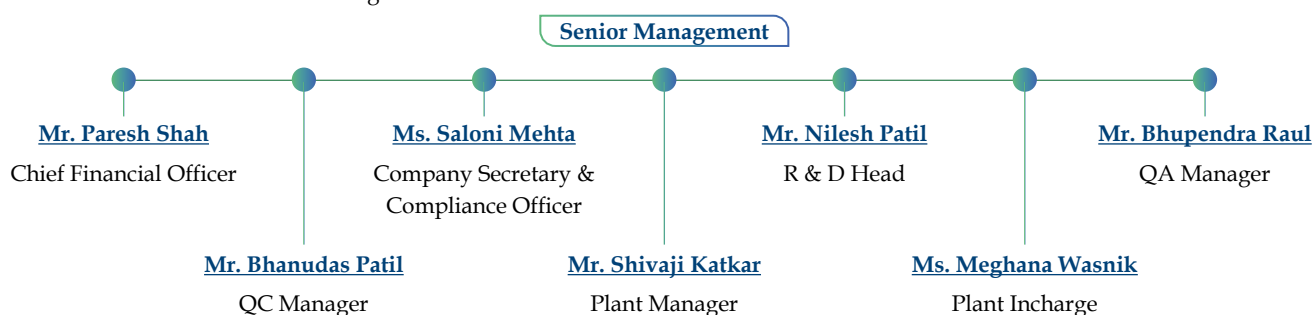
**Mr. Mulesh Savla was appointed as Non - Executive Independent Director w.e.f. May 14, 2024.*

Non - Executive Independent Director - NED (Idpt); Non - Executive Non - Independent Director - NED (non- Idpt); Executive Director - ED; Managing Director - MD, Chief Financial Officer - CFO

(Other directorships do not include directorships of private limited companies (except deemed public companies), foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations).

6. During FY 2023 - 24, 1 (one) meeting of the Independent Directors was held on February 8, 2024. The Independent Directors, inter alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
7. During FY 2023 - 24, information as mentioned in Part A of Schedule II of the Listing Regulations, were placed before the Board for its consideration.
8. The Board periodically reviews the compliance reports of all laws applicable to the Company.

9. Particulars of Senior Management:



- **Ms. Prajakta Patil was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. May 14, 2024.**

10. Familiarisation Programme:

The Company conducts familiarisation programmes for its Independent Directors and other Non-Executive Directors which, inter alia, includes the following:

- Presentations on the business performance of the Company are made at the Board Meetings to familiarize the Independent Directors with the strategy, operations and functions of the Company. The programme aims to provide insights into the Company to enable the Independent Directors to be in a position to take well-informed timely decisions and contribute significantly to the performance of the Company.
- Each director of the Company has access to any information relating to the Company.
- Information on any change and new development with regard to relevant regulatory requirement such as Listing Regulations and the Act.
- Familiarisation programmes are proposed to be conducted on need basis during the term of the directors.
- The Board members are made aware about the compliances applicable to the Company.

f. Freedom to interact with the Company's management during the Board/ Committee of Directors' meetings or otherwise.

g. Need based training is provided on various matters.

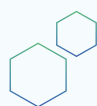
The Board members are encouraged to advise the Company to adopt further programmes for their familiarization with the Company.

In the Board meetings, all discussions on performance review of the businesses are preceded by a recap on the strategic direction adopted for the business, which provides good insights on the path forward for the businesses carried on by the Company to the Independent Directors and the other Non-Executive Directors on the Board.

Details of familiarisation programmes imparted to Independent Directors are available on the Company's website at www.valiantlabs.in.

Directors Competence/ Skills/Expertise:

The Company is engaged in the manufacturing of Pharmaceuticals API. The table below summarises the broad list of core skills / expertise / competencies identified by the Board of Directors, as required in the context of the Company's business / sector and the said skills are available with the Board members:



List of core skills/expertise/competencies identified by the Board of Directors as required in the context of the business and sector.

Industry Experience

Experience in Chemical and Pharmaceutical industry

Operations, Technology, Sales and Marketing

Experience in sales and marketing management based on understanding of the consumer and consumer goods industry

Leadership

Extensive leadership experience of an organisation for practical understanding of the organisation, its processes, strategic planning, risk management for driving change and long-term growth

Legal/Governance/ Compliance

Strengthen and maintain the governance levels and practices in the organisation

Understanding of Global Business

Owing to presence across the globe, the understanding of global business & market is seen as pivotal

Finance and Banking

Finance field skills/competencies/ expertise is seen as important for intricate and high quality financial management and financial reporting processes

Name of Director	 Industry Experience	 Operations, Technology, Sales and Marketing	 Leadership	 Understanding of Global Business	 Finance and Banking	 Legal/Governance/Compliance
Mr. Velji Gogri	✓	⊗	⊗	✓	✓	⊗
Mr. Santosh Vora	✓	✓	✓	✓	✓	✓
Mr. Paresh Shah	✓	✓	✓	✓	✓	✓
Mr. Shantilal Vora	✓	✓	✓	✓	✓	⊗
Mr. Sandeep Gupta	⊗	✓	⊗	✓	✓	⊗
Mrs. Sonal Vira	⊗	⊗	⊗	✓	✓	⊗

III. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions within the delegated authority. Each Committee of the Board, whether mandatorily required to be constituted or otherwise, functions according to its scope that defines its composition, power and role in accordance with the Act and the Listing Regulations. The Company has 4 (Four) Statutory Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility Committee. The recommendations of the Committees are submitted to the Board for approval.

During the year, all the recommendations of the Committees were accepted by the Board.

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Act and the Listing Regulations, as applicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and also placed before the Board for its noting.

1. AUDIT COMMITTEE

The Audit Committee of the Board of Directors ("the AC") is entrusted with the responsibility of supervising the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 read with Part C of Schedule II of the Listing Regulations.

Terms of Reference:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the Monitoring Agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. 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 existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Composition, Meeting and Attendance

As on March 31, 2024, the AC comprises of 3 (Three) members of which 2 (Two) are Non-Executive Independent Directors. The Company Secretary of the Company acted as the Secretary to the Audit Committee.

All members of the AC are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its charter that defines its authority, responsibility, and reporting function.

The dates of the meetings and attendance of AC members in the said meetings are given below:-

Date of Meetings	Mr. Velji Gogri	Mrs. Sonal Vira	Mr. Shantilal Vora
Category	Chairperson	Member	Member
May 15, 2023	✓	✓	✓
May 23, 2023	✓	✓	✓
August 3, 2023	✓	✓	✓
August 29, 2023	✓	✓	✓
September 21, 2023	✓	✓	✓
October 23, 2023	✓	✓	✓
November 6, 2023	✓	✓	✓
February 9, 2024	✓	✓	✓

8 (Eight) AC Meetings were held during the year under review and the gap between the two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. The Chairperson of the Audit Committee attended the 2nd AGM held on September 13, 2023.

The Chief Financial Officer, Functional Heads, Representatives of the Statutory Auditors, Internal Auditors, Cost Auditor, as and when required attended the meetings of the Audit Committee from time to time.

2. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board of Directors ("the NRC") is entrusted with the responsibility of creating a high performance culture; attract, retain and motivate employees to achieve results. The composition, quorum, powers, role and scope are in accordance with Section 178 of the Act and the provisions of Regulation 19 read with Part D Para A of Schedule II of the Listing Regulations.

Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an

Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- i. Use the services of an external agencies, if required;
 - ii. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. Consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
 4. Devising a policy on diversity of board of directors;
 5. 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;
 6. 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.
 7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition, Meeting and Attendance

As on March 31, 2024, the NRC comprises of 3 (Three) members of which 2 (Two) are Non-Executive Independent Directors.

The date of the meeting and attendance of NRC members in the said meeting are given below:

Date of Meetings	Mrs. Sonal Vira	Mr. Velji Gogri	Mr. Shantilal Vora
Category	Chairperson	Member	Member
August 29, 2023	✓	✓	✓

Note: Due to business exigencies, 1 (One) resolution was passed through Circulation and the said resolution was noted at the subsequent committee meeting.

1 (One) NRC Meeting was held during the year under review. The necessary quorum was present for the meeting.

Performance Evaluation

In terms of the requirements of the Act and Regulations 17 and 25 of the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and its Committees.

The Company has a structured assessment process for evaluation of performance of the Board, its

Committees and individual performance of each Director including the Chairperson of the Board.

The evaluations are carried out in a confidential manner and the Directors provide their feedback by rating based on various parameters.

The Independent Directors at their separate meeting reviewed the performance of:

- a. Non-Independent Directors and the Board as a whole;
- b. The Chairman of the Board after considering the views of other Directors;

- c. Succession planning, the quality, quantity; and
- d. Timeliness of flow of information between the Company management and the Board that

is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, questionnaires were circulated to the members of the Board and respective Committees soliciting their feedback on the performance of the Board, its Committees and individual Directors for the FY 2023-24.

The overall performance evaluation exercise was completed to the satisfaction of the Board.

		Board	Committees	Non-Independent Director	Independent Director	Chairman
Evaluated by	Independent Director	✓	⊗	✓	⊗	⊗
	Board	✓	✓	✓	✓	✓

Remuneration Policy

The Company has in place a Nomination and Remuneration Policy formulated as per the provisions of the Act and the Listing Regulations. The Policy outlines the role of NRC and the Board, inter alia, determining the criteria for Board membership, approving, and recommending compensation and policies for Directors and Senior Management and lay down the effective manner of performance evaluation of the Board, its Committees, and the Directors. The

NRC Policy is available on the Company's website viz. www.valiantlabs.in.

Remuneration of Directors

Non-Executive Directors

Non-Executive Directors are presently receiving sitting fees (including reimbursement of expenses, if any) for attending the meeting of the Board and its Committees as per the provisions of the Act and the rules made thereunder. No Stock options have been given to the Non-Executive Directors during the year.

The details of the sitting fees paid to the Non - Executive Directors as on March 31, 2024, are as under:

	(₹ In Lakhs)			
Name of Directors	Mr. Velji Gogri	Mr. Shantilal Vora	Mr. Sandeep Gupta	Mrs. Sonal Vira
Board Meetings	0.650	0.650	0.650	0.650
Committee Meetings	0.275	0.275	0.00	0.250
Total	0.925	0.925	0.650	0.900

*Note: * The Company does not have material pecuniary relationship or transactions with its Independent Directors except the payment of sitting fees for attending the meetings of Board/ Committees, as disclosed in this Report.*

Executive Directors

The Company remunerates its Executive Directors by way of salary. Remuneration is paid within the limits as approved by the shareholders within the stipulated limits of the Section 197 read with

Schedule V of the Act and the Rules made thereunder. The remuneration paid to the Executive Director is determined keeping in view the industry benchmark and the performance of the Company.

Remuneration to Executive Directors

	(₹ In Lakhs)	
Name of Director(s)	Mr. Santosh Vora	Mr. Paresh Shah
Category	Managing Director	Executive Director
Salary and other Perquisites	12.00	15.00
Commission	-	-
Total Remuneration	12.00	15.00

*Note: *Managing Director is appointed under the contract for a period of 5 (Five) years and with termination notice period of 90 days and executive director until cessation from the employment of the Company and subject to re-appointment due to retirement by rotation in the AGM.*

**The Board and Shareholders of the company at their meetings held on January 4, 2023 and January 20, 2023, respectively, have approved the "Valiant Laboratories - Employee Stock Option Plan - 2023". Further, approval of Shareholders was also sought for Grant of Employee Stock Options to Employees of Subsidiary Company under "Valiant Laboratories - Employee Stock Option Plan - 2023".*

Key Managerial Personnel (KMP) and other employees:

The remuneration of KMP and other employees largely consists of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification and experience/merits, and performance of each employee.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board of Directors ("the SRC") is entrusted with the responsibility of safeguarding the interests of debenture holders and other security holders. The composition, quorum, powers, role and scope are in accordance with Section 178(5) of the Act and the provisions of Regulation 20 read with Part D Para B of Schedule II of the Listing Regulations.

Terms of Reference

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Composition, Meeting and Attendance

As on March 31, 2024, SRC comprises of 3 (Three) members of which 2 (Two) are Non-Executive Independent Directors.

The date of the meeting and attendance of SRC members in the said meeting is given below:

Date of Meetings	Mr. Velji Gogri	Mrs. Sonal Vira	Mr. Santosh Vora
Category	Chairperson	Member	Member
February 9, 2024	✓	✓	✓

1 (One) SRC Meeting was held during the year under review. The necessary quorum was present for the meeting.

Name, Designation and Contact details of the Compliance Officer

Ms. Saloni Mehta#

Company Secretary & Compliance Officer

Contact: 022 - 4971 2001/ 022 - 4971 7220

Email: investor@valiantlabs.in

#Resigned w.e.f. March 31, 2024.

**Ms. Prajakta Patil was appointed as the Company Secretary & Compliance Officer of the company w.e.f. May 14, 2024.*

SEBI processes investor complaints in a centralised web-based complaints redressal system, i.e. SCORES. Through this system a Member can lodge a complaint against the Company for redressal of his/ her grievance. The Company uploads the action taken report on the complaint which can be viewed by the Member. The Company and Member can seek and provide clarifications online through SEBI.

Further, the Company has pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, registered itself on the ODR platform, which gives an ease to investors on escalation of the complaints.

Details of investor complaints received and redressed during FY 2023-24 are as follows:

Opening as on April 1, 2023	Received during the year	Resolved during the year	Closing as on March 31, 2024
NIL	199	199	NIL

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving investors complaints/queries.

Separate email id for the redressal of investors' complaints

As per Regulation 6 of Listing Regulations, the Company has designated a separate e-mail id investor@valiantlabs.in exclusively for the registering complaints by the investors.

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (“the CSR”) Committee of the Board of Directors is entrusted with the responsibility of identifying the areas of CSR activities, recommending the amount of expenditure to be incurred and implementing and monitoring the CSR policy from time to time. The composition, quorum, powers, role and scope are in accordance with the provisions of Section 135 of the Act.

Terms of Reference

1. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act, as amended, read with Rules framed thereunder;

2. Recommend the amount of expenditure to be incurred on such activities and
3. Monitor the CSR Policy of the Company from time to time.

The Board has also approved a CSR Policy. The Annual Report on CSR Activities as required to be given under Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in **Annexure IV** which forms part of the Report of the Board of Directors.

Composition, Meeting and Attendance

As on March 31, 2024, CSR committee comprises of 3 (Three) members.

The date of the meeting and attendance of CSR committee members in the said meeting is given below:

Date of Meetings	Mr. Velji Gogri	Mr. Shantilal Vora	Mr. Paresh Shah
Category	Chairperson	Member	Member
August 3, 2023	✓	✓	✓

1 (One) CSR Committee Meeting was held during the year under review. The necessary quorum was present for the meeting.

The Company has formulated a CSR Policy for determining the activities and responsibilities of the Company for incurring expenditure as per the

provisions of the Act. The policy is available on the Company’s website at www.valiantlabs.in.

IV. GENERAL BODY MEETINGS

Details of last three Annual General Meetings are as under:

For Financial Year	Day, Date and Time	Venue	Special Resolution passed
FY 2020-21	Company was incorporated on August 16, 2021		
FY 2021-22	Tuesday, September 27, 2022, 11:00 A.M.	Registered Office	NIL
FY 2022-23	Wednesday, September 23, 2023, 11:00 A.M.	Registered Office	NIL

Extra-ordinary General Meetings:

In Financial Year	Day, Date and Time	Venue	Special Resolution passed
FY 2021-22	Monday, February 21, 2022, 10:00 A.M.	Registered Office	1. Approval of Shareholders for Selling or Disposal of Undertaking of a Company or Shares of Subsidiaries pursuant to Section 180 (1) (a) of the Companies Act, 2013. 2. Approval of Shareholders for increasing the Borrowing limits of the Company pursuant to Section 180(1) (c) of the Companies Act, 2013. 3. Approval of Shareholders for change in designation of Mr. Shantilal Vora (DIN: 07633852) from Executive Director to Non- Executive Director.

In Financial Year	Day, Date and Time	Venue	Special Resolution passed
	Thursday, March 24, 2022, 10:00 A.M.	Registered Office	1. Approval of Shareholders for issuance of 14,80,000 Bonus Shares in the ratio 1:10, pursuant to Section 63 of the Companies Act, 2013.
FY 2022-23	Friday, January 20, 2023, 11:00 A.M.	Registered Office	1. Approval of Shareholders for issuance of 1,62,80,000 Bonus Shares in the ratio 1:1, pursuant to Section 63 of the Companies Act, 2013. 2. Approval of Shareholders for “Valiant Laboratories – Employee Stock Option Plan – 2023”. 3. Approval of Shareholders for Grant of Employee Stock options to employees of Subsidiary Company under “Valiant Laboratories – Employee Stock Option Plan – 2023”.
	Monday, March 20, 2023, 11:00 A.M.	Registered Office	1. Approval of Shareholders for Issue of Equity Shares to Public (IPO).
FY 2023-24	Sunday, September 03, 2023, 11:00 A.M.	Registered Office	No Special Resolutions Passed

**No special resolution was passed through Postal Ballot during the Financial Year 2023-24.*

V. MEANS OF COMMUNICATION

Quarterly Results

The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes from the conclusion of the Board Meetings in which the same are approved. The results are usually published in Financial Express (English) edition and Mumbai Lakshadeep or Pratahkaal (Marathi) edition. These results are also available on the website of the Company www.valiantlabs.in.

Website

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under ‘Investors’ i.e. ‘Disclosure under Regulation 46 of the Listing Regulations’ on the Company’s website gives information on various announcements made by the Company, such as Disclosures to Exchanges, Newspaper publications, Financials of Subsidiary, Annual Report, Quarterly/Half-yearly/Nine-months and Annual financial results along with the applicable policies of the Company.

Quarterly Compliance Reports on Corporate Governance and other relevant information of interest to the Investors are also placed under the Investors Section on the Company’s website at www.valiantlabs.in.

VI. GENERAL SHAREHOLDERS INFORMATION

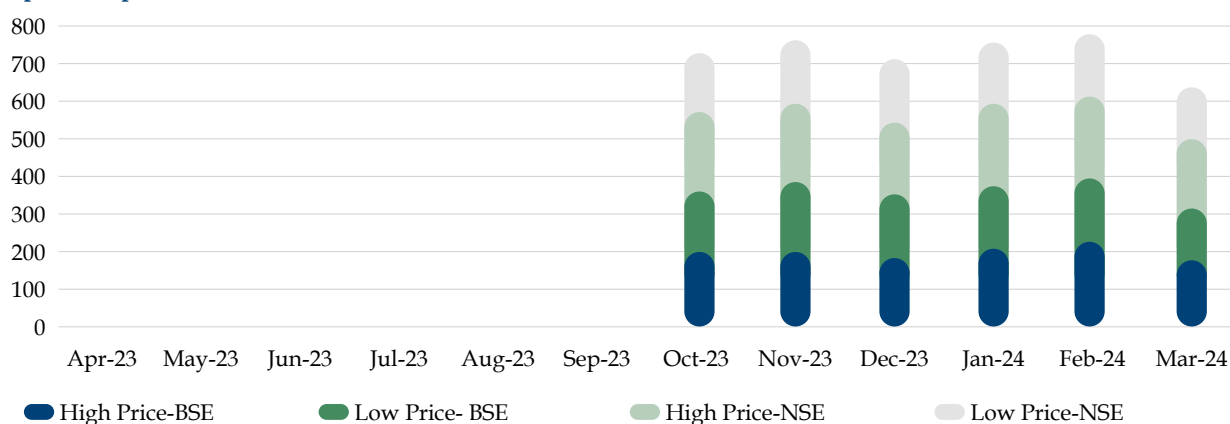
1	CIN	L24299MH2021PLC365904
2	Registered Office/Address for correspondence	104, Udyog Kshetra, Mulund Goregaon Link Road, Mulund West, Mumbai – 400080.
3	Name and Address of each stock exchange(s) at which the listed entity's securities are listed and Stock Code	
	BSE Limited – (Scrip Code- 543998)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
	National Stock Exchange of India Limited – (Symbol- VALIANTLAB)	Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051.
	The Company had paid the Annual Listing Fees of the Stock Exchanges and Annual Custodial Fees of the Depositories for the FY 2023-24.	
4	Registrar to an issue and Share transfer agents	M/s. Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083. Tel. No. +91 22 49186000 Fax No. 022 – 4918 6060 Email ID: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

5	Share transfer System	In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfer of Equity Shares in electronic form are effected through the depositories with no involvement of the Company.
6	Plant Locations and Research and Development Centres	Plot No. L- 13 & 30, MIDC Tarapur, Boisar, District Palghar - 401506.
7	Financial Calendar	
	Financial Year	April 1, 2023 to March 31, 2024
	Tentative schedule for the Financial Year 2024-25	
	June, 2024 (Q-1)	Last week of July/ 1 st week of August, 2024, or on or before August 14, 2024
	September, 2024 (Q-2)	Last week of October/ 1 st week of November, 2024, or on or before November 14, 2024
	December, 2024 (Q-3)	Last week of January/ 1 st week of February, 2025, or on or before February 14, 2025
	March, 2025 (Annual & Q4)	1 st /2 nd week of May, 2025, or on or before May 30, 2025
8	Annual General Meeting	
	Day and Date	Thursday, August 8, 2024
	Time	11:00 A.M.
	Venue	Annual General Meeting would be held through video conferencing/ other audio visual means. (Deemed venue for meeting: Registered Office of the Company).
9	Cut Off Date for E-voting	July 31, 2024
10	Dividend Payment Date	Not Applicable
11	Dematerialization of shares and liquidity	As on March 31, 2024, all the equity shares of the company are held in dematerialised form.
12	Credit Rating obtained (latest in FY 2023-2024)	
	Long Term Rating	CRISIL A-/Negative
	Short Term	CRISIL A2+
13	Cases where securities are suspended from trading	Not Applicable
14	Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, if any.	The Company has not issued any GDRs/ ADRs/ Warrants or any other convertible instruments.
15	Commodity price risk or foreign exchange risk and hedging activities, if any	The details of foreign currency exposure are disclosed at appropriate places in the Financial Statements.

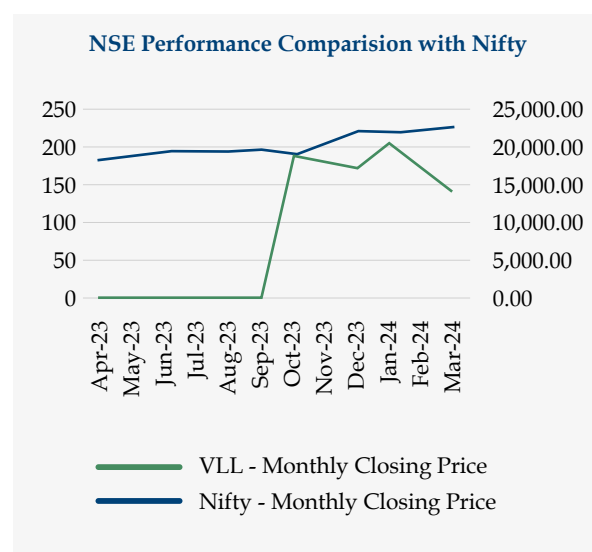
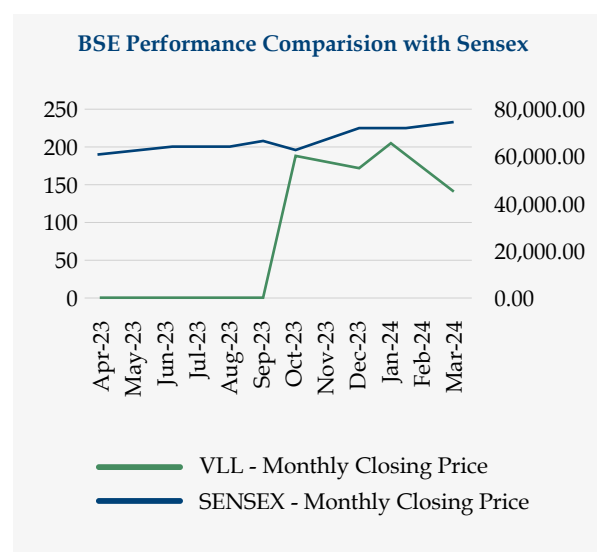
16 Market Price Data (high, low in each month in last financial year):

Month	BSE Limited (BSE)			National Stock Exchange India Limited (NSE)		
	High (₹)	Low (₹)	Volume (₹)	High (₹)	Low (₹)	Volume (₹)
Apr-23	Not Applicable					
May-23						
June -23						
July-23						
Aug-23						
Sept-23						
Oct-23	203.05	161.00	2,18,972	202.80	162.10	1,24,44,073
Nov-23	207.00	175.00	7,89,592	206.10	174.95	81,16,024
Dec-23	185.45	168.65	2,83,427	188.70	167.00	34,27,655
Jan-24	212.90	166.05	7,07,609	212.80	166.35	97,48,907
Feb-24	226.95	168.10	2,87,817	214.95	169.30	25,87,699
Mar-24	177.80	139.95	2,58,526	177.50	139.00	44,08,458

Graphical Representation of Market Price Data



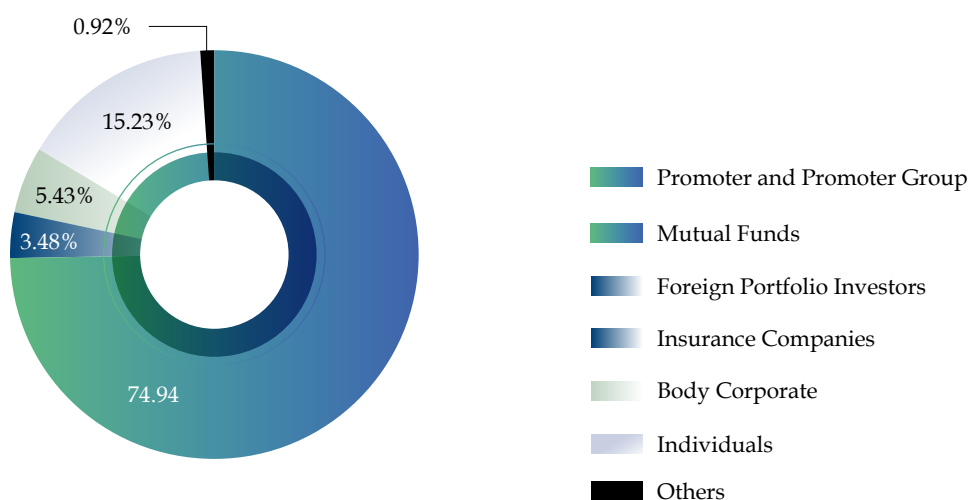
17 Performance in comparison to broad based indices:



18 Shareholding as on March 31, 2024:

A. Category of Equity Shareholding:

As on March 31, 2024		
Category	Equity Shares	
	No. of Shares	%
Promoter and Promoter Group	3,25,60,000	74.94
Mutual Funds	0	0.00
Foreign Portfolio Investors	15,11,715	3.48
Insurance Companies	0	0.00
Body Corporate	23,60,650	5.43
Individuals	3,27,17,552	15.23
Others	4,00,083	0.92
Total	4,34,50,000	100.00



B. Distribution of Shareholding as on March 31, 2024:

Month	Shareholders		Share Amount	
	Number	%	₹	%
1 to 5000	13,669	90.66	1,37,05,120	3.15
5001 to 10000	631	4.19	50,98,490	1.17
10001 to 20000	352	2.33	53,65,870	1.24
20001 to 30000	148	0.98	38,29,490	0.88
30001 to 40000	50	0.33	17,96,450	0.41
40001 to 50000	56	0.37	26,59,400	0.61
50001 to 100000	85	0.56	62,46,000	1.44
Above 100001	85	0.56	39,57,99,180	91.09
TOTAL:	15,076	100.00	43,45,00,000	100.00

19 Green initiative:

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, and Securities & Exchange Board of India enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participant (DPs) and Registrar and Transfer Agent (RTA).

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in Demat form can register their e-mail address with their concerned DPs.

VII. OTHER DISCLOSURES:

- All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Details of related party transactions entered into by the Company are included in the notes to accounts. Material individual transactions with related parties are in the normal course of business and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of Business are placed before the Audit Committee periodically.

As required under Regulation 23(1) of Listing Regulations, the Company has formulated a policy on dealing with related party transactions. The said policy is also available under 'Investors' section of the website of the Company at www.valiantlabs.in.

2. There was no non-compliance by the company and therefore, no penalties, strictures were imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;
3. Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of Listing Regulations, the Audit Committee and the Board have adopted a Whistle-Blower policy which provides an environment where every director / employee feels free and secure to report specific incidents of unethical behaviour, actual or suspected incidents of

fraud or violation of the Company's Code, investigate such reported incidents in a fair manner, taking appropriate disciplinary action against the delinquent director(s) and employee(s), ensuring that no director or employee is victimised or harassed for bringing such incidents to the attention of the Company. The Company affirms that there were no incidence of reporting unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct during the financial year 2023-24.

4. In order to restrict communication of Unpublished Price Sensitive Information (UPSI), the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The said Code is available on the website of the Company at www.valiantlabs.in.

5. The Company has complied with all the mandatory requirements of Listing Regulations. Further, details with respect to discretionary requirements as specified in Part E of Schedule II are as follows:

Sr. No.	Particulars	Remarks
1	Non-Executive Chairman's Office	The Company has a Non-executive Chairman.
2	Shareholder's Rights	As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
3	Audit Qualifications	Auditors' Report on Company's financial statement for FY 2023-24 is unmodified.
4	Separate posts of Chairman and Chief Executive Officer ("CEO")	The Company has separate posts of Chairman and Managing Director.
5	Reporting of Internal Auditor	The Internal Auditor reports to the Audit Committee.

6. The 'Policy for Determining Material Subsidiary' pursuant to Regulation 16(1) (c) of Listing Regulations, has been adopted by the Board at its meeting held on May 14, 2024, and the same has been hosted on the website of the Company at: www.valiantlabs.in.

7. In terms of the above policy, the Company's subsidiary, namely, Valiant Advanced Sciences Private Limited is considered as a material subsidiary. The Company was incorporated on July 8, 2022. Further, Rishabh S.Vora & Co. are the Auditors of the Company, who were appointed on September 11, 2023.

Except the said entity, the Company does not have any other material subsidiary.

8. The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

9. Total fees for all services paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	₹ In Lakhs.
Audit Fees	3,64,409.00
Certification Charges	0
Out of pocket expenses	0
Other Services	0
Total	3,64,409.00

10. Disclosures in relation to 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

11. Details of loans and advances to firms/Companies in which directors are interested:

During the year under review, the company has granted loan amounting to ₹1,986.29 Lakhs to its Wholly Owned Subsidiary and subsequently, the said amount was repaid. Therefore, as on March 31, 2024, the company has no outstanding loans/advances given to the firms/companies in which directors are interested.

12. The Company hereby confirms compliance with that requirements of Report on Corporate Governance as specified in sub-paras (2) to (10) of Part C of Schedule V of Listing Regulations.

13. The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations.

14. As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows:

Particulars	Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
Demat suspense account			Not Applicable		
Unclaimed suspense account			Not Applicable		

15. The Shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company have not entered any agreement 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.

that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is provided as **Annexure - 'II'** to this report.

VIII. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors has adopted Code of Conduct for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17(5) of the Listing Regulations. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the year ended March 31, 2024.

A declaration to this effect signed by the Managing Director is provided as **Annexure - 'I'** to this report. The said Code of Conduct may be viewed on the Company's website at www.valiantlabs.in.

IX. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

The Company has obtained a certificate from M/s Sunil M. Dedhia and Co., Practising Company Secretary confirming

X. CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS (CEO/ CFO CERTIFICATION):

Pursuant to Regulation 17 (8) of the Listing Regulations, a certificate duly signed by the Managing Director of the Company is provided as **Annexure 'III'** to this report.

XI. CERTIFICATE FROM THE STATUTORY AUDITOR OF THE COMPANY FOR COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

A certificate from M/s. Raman S. Shah and Co., Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in Part E of Schedule V of the Listing Regulations is provided as **Annexure 'IV'** to this Report.

For and on behalf of the Board

Sd/-
Santosh Vora
Managing Director
DIN: 07633923

Sd/-
Paresh Shah
Executive Director &
Chief Financial Officer
DIN: 08291953

Place: Mumbai
Date: May 14, 2024

Annexure – ‘I’ TO THE REPORT ON THE CORPORATE GOVERNANCE

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF THE COMPANY

As provided under Regulation 34 (3) read with Para D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the Board of Directors and the Senior Management Personnel have affirmed their compliance with Code of Conduct as applicable to them, for the Financial Year ended March 31, 2024.

For and on behalf of the Board

Sd/-

Santosh Vora

Managing Director

DIN: 07633923

Place: Mumbai

Date: May 14, 2024

Annexure – ‘II’ TO THE REPORT ON THE CORPORATE GOVERNANCE

CERTIFICATE FROM A PRACTISING COMPANY SECRETARY WITH RESPECT TO NON DISQUALIFICATION OF DIRECTORS

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

To,
Valiant Laboratories Limited
CIN:- L24299MH2021PLC365904
104, Udyog Kshetra,
Mulund Goregaon Link Road,
Mulund West, Mumbai – 400080

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Valiant Laboratories Limited** having CIN: **L24299MH2021PLC365904** and having registered office at 104, Udyog Kshetra, Mulund Goregaon Link Road, Mulund West, Mumbai – 400080 (hereinafter referred to as ‘the company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers.

I hereby certify that none of the Directors on the Board of the Company as stated below as on Financial Year ended on **March 31, 2024**, have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	DIN	Name of Director	Designation	Begin date
1.	07633923	Mr. Santosh Shantilal Vora	Managing Director	16/08/2021
2.	07633852	Mr. Shantilal Shivji Vora	Director	16/08/2021
3.	08291953	Mr. Paresh Shashikant Shah	Director	16/08/2021
4.	02714758	Mr. Velji Kasmashi Gogri	Director	06/02/2022
5.	09505883	Mrs. Sonal Amit Vira	Director	16/02/2022
6.	09245060	Mr. Sandeep Gupta	Director	23/02/2023

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sunil Dedhia & Co.

Sd/-
CS Sunil Dedhia
Proprietor
Company Secretaries
FCS No: 3483
CP No:2031
UDIN-F003483F00067189

Place: Mumbai
Date: May 14, 2024

Annexure – ‘III’ TO THE REPORT ON THE CORPORATE GOVERNANCE

CERTIFICATION UNDER REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Santosh Vora, Managing Director of Valiant Laboratories Limited (“the Company”), hereby certify to the Board that:

- (a) I have reviewed financial statements for the year ended March 31, 2024, and that to the best of my 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 my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- (c) I am responsible for establishing and maintaining internal controls for financial reporting in the Company and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For and on behalf of the Board

Sd/-

Santosh Vora

Managing Director

DIN: 07633923

Place: Mumbai

Date: May 14, 2024

Annexure – ‘IV’ TO THE REPORT ON THE CORPORATE GOVERNANCE

PRACTICING CHARTERED ACCOUNTANTS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Valiant Laboratories Limited
104, Udyog Kshetra,
Mulund Goregaon Link Road,
Mulund West, Mumbai – 400080

We have examined the compliance of conditions of Corporate Governance by **Valiant Laboratories Limited (CIN: L24299MH2021PLC365904)**, for the year ended on March 31, 2024, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (“**Listing Regulations**”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring Compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

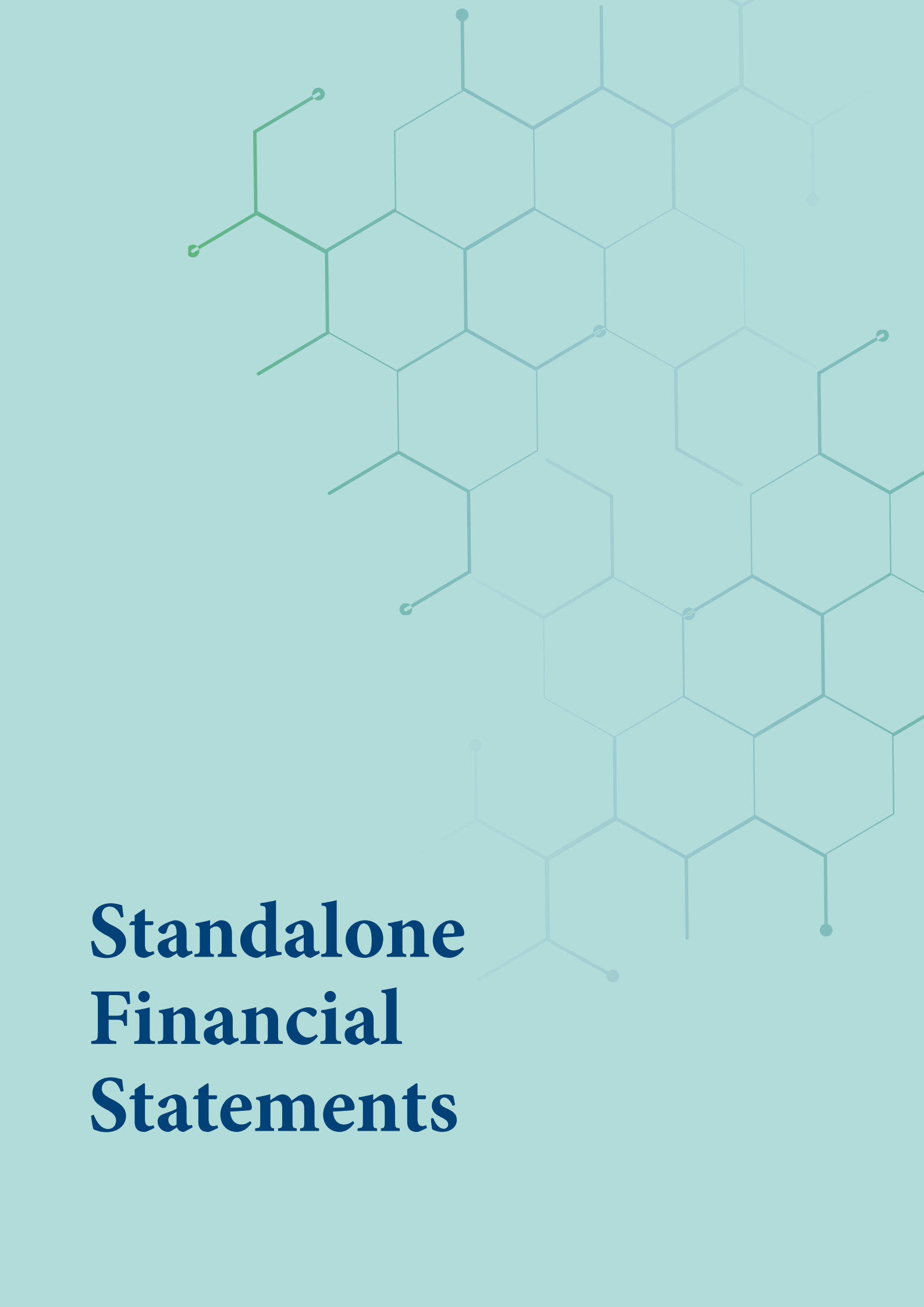
In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has, complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

Yours Faithfully
For Raman S. Shah & Co.
Chartered Accountants
Form Registration No.:- 111919W

Sd/-
Raman Shah
Proprietor
Membership No: 33272
UDIN: 24033272BKCRHW2000

Place: Mumbai
Date: May 14, 2024



Standalone Financial Statements

Independent Auditors' Report

To
The Members of
Valiant Laboratories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Valiant Laboratories Limited ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and statement of changes in equity and statement of cash flows for the year ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit, total comprehensive income, changes in equity and its cash flows for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With the 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 the Section 197 read with schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 read with schedule V of the Act. The Ministry of Corporate

Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 36(a) to the Standalone Financial Statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 36(a) to the Standalone Financial Statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company {or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The company has not declared or paid any dividend during the year.
- v. (a) The Management has represented that, to the best of its knowledge and belief, other than disclosed in the notes, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, other than disclosed in the notes to accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in

writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
 - (a) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to payroll, consolidation process and certain noneditable fields/tables of the accounting software used for maintaining general ledger.
2. 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 Companies Act, 2013, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Raman S Shah & Co,
Chartered Accountants
Firm's Registration No. 111919W

Sd/-
Raman S Shah
Proprietor

Place: Mumbai.
Date: 14th May 2024

M. No. 033272
UDIN: 24033272BKCRHM4839

Annexure A to the Auditor's Report – March 31, 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 Valiant Laboratories Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

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 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 risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 Standalone Financial Statements for external purposes is in accordance with Generally Accepted Accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls 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 March 31, 2024, based

on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raman S Shah & Co,
Chartered Accountants
Firm's Registration No. 111919W

Sd/-
Raman S Shah
Proprietor
M. No. 033272
UDIN: 24033272BKCRHM4839

Place: Mumbai.
Date: 14th May 2024

Annexure B to the Auditor's Report – March 31, 2024

Annexure B referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of Valiant Laboratories Limited on the accounts of the company for the year ended March 31, 2024.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;
- (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) As explained to us, the Company has phased programme of physical verification of Property Plant & Equipment's by which all Property, Plant & Equipment's are verified over a period of three years. In our opinion, periodicity of the physical verification is reasonable having regard to the size of the Company and nature of assets. According to the information and explanation given to us no material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the

lessee) disclosed in notes to the standalone financial statements are held in the name of the Company.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year;
- (e) According to the information and explanation given to us and on the basis of examination of the records of the Company, there are no Proceedings are initiated or no pending cases against the company for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

- (iii) (a) During the year, the Company has provided loans to companies as follows: -

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries, joint operation	Nil	Nil	INR 1986.30 lakhs	Nil
- Others*	Nil	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries, joint operation	Nil	Nil	Nil	Nil
- Others	Nil	Nil	Nil	Nil

- (b) During the year, the Company has not provided loans, advances in loans, stood guarantee and provided security to firms, limited liability partnerships or any other parties.
- (c) During the year the investments made in companies and the terms and conditions of the grant of all loans provided to companies are not prejudicial to the Company's interest. During the year the Company has not made investments, provided guarantees, security and granted loans and advances in the nature of loans to firms, limited liability partnerships or any other parties.
- (d) In respect of loans or advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments are regular.
- (e) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (f) The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment.

- (iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Loans and investments in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Drugs and Pharmaceuticals, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same..
- (vii) According to the information and explanations given to us and based on the records of the company examined by us, in respect of Statutory Dues,
- (a) The Company generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee State Insurance, Income tax, custom duty, cess and any other statutory dues to the appropriate authorities and there are no arrears of outstanding statutory dues as on the last day of the FY concerned for a period of more than 6 months from the date they became payable.
- (b) There is no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payments of interest thereon to any lender;
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our audit procedure, the term loans were applied for the purpose for which the loan were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on Short Term basis have been used for Long Term purposes by the company.
- (e) According to the information and explanations given to us, and the procedures performed by us, Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The Company has not raised loans during the year on the pledge of securities held by the subsidiaries, associates or joint ventures
- (x) (a) The Company has raised moneys by way of initial public offer during the year and hence reporting under clause 3(x)(a) of the Order is applicable.
- The company has issued a total of 1,08,90,000 shares at an issue price of ₹140 per share raising a total of ₹1,52,46,00,000 (₹152.46 Crores)
- The money raised by Initial Public Offering during the year were applied for purposes for which it was raised and there are no defaults by the company in applying the money raised through IPO, for the purposes for which it was raised.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) No fraud by the company or on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, and the procedures performed by us, there are no whistle-blower complaints received by the Company during the year and up to the date of this Report.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our Opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of

financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- (xxi) This clause is not applicable to the company as there is no Qualification or Adverse Remarks in an Audit Report of the subsidiary Company

For Raman S. Shah & Co,
Chartered Accountants
Firm's Registration No. 111919W

Sd/-
Raman S Shah

Proprietor
M. No. 033272

Place: Mumbai.
Date: 14th May 2024

UDIN: 24033272BKCRHM4839

Standalone Balance Sheet

as at March 31, 2024

		(₹ In Lakhs)	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
Non-Current assets			
(a) Property, Plant & Equipment	4	3,097.00	2,914.09
(b) Capital work-in-progress	4	21.86	4.57
(c) Right of Use assets	5	63.72	82.78
(d) Other Intangible Assets			
(e) Financial Assets			
(i) Investment in Subsidiaries	6.1	8,097.33	1.00
(ii) Other Financial Assets	7	264.14	70.23
(f) Other non-current assets	8	1.99	6.83
Total Non-Current assets		11,546.04	3,079.51
Current assets			
(a) Inventories	9	1,001.54	1,304.23
(b) Financial Assets			
(i) Investments	6.2	3,761.17	3,401.86
(ii) Trade Receivables	10	4,572.15	8,856.84
(iii) Cash and Cash Equivalents	11	222.67	37.62
(iv) Other Balances with Banks	12	9,449.34	8.00
(v) Loans	13	3.04	3,240.35
(vi) Other Financial Assets		-	-
(c) Other Current assets	14	1,509.09	1,157.91
(d) Current Tax Assets (Net)	15	407.81	189.52
Total Current assets		20,926.81	18,196.32
Total Assets		32,472.85	21,275.84
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	4,345.00	3,256.00
(b) Other Equity	17	19,343.19	6,793.08
Total Equity		23,688.19	10,049.08
LIABILITIES			
Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18.1	5,940.02	5,940.02
(ii) Lease Liabilities	19.1	42.69	64.24
(iii) Other financial liabilities	20	96.14	96.14
(b) Provisions	21.1	8.00	7.85
(c) Deferred Tax Liabilities (net)	22	61.40	66.62
Total non-current liabilities		6,148.26	6,174.87
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18.2	-	-
(ii) Lease Liabilities	19.2	23.10	17.52
(iii) Trade Payables	23		
A) Total Outstanding Dues of Micro enterprises and small enterprises		25.07	0.62
B) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises		2,451.36	4,729.01
(iv) Other Financial Liabilities	24	114.88	201.84
(b) Other Current liabilities	25	10.43	91.14
(c) Provisions	21.2	11.56	11.76
Total current liabilities		2,636.40	5,051.89
Total Equity and Liabilities		32,472.85	21,275.84

The above statement of Balance Sheet should be read in conjunction with the accompanying notes.(Note No 1-43)

Previous Year's figures are regrouped / rearranged wherever required.

As per our report of even date attached

For **Raman S Shah & Co**
Chartered Accountants
(Firm Regn No. 111919W)

Sd/-
Mr. Raman S Shah
Proprietor
M. No.033272
Place : Mumbai
Date - 14th May 2024

For **Valiant Laboratories Limited**

Sd/-
Mr. Santosh Shantilal Vora
(Managing Director)
DIN - 07633923

Sd/-
Ms. Prajakta Patil
Company Secretary
ICSI M.No.: A53370

Sd/-
Mr. Paresh Shashikant Shah
Director & CFO
DIN - 08291953

UDINo- 24033272BKCRHM4839

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

		(₹ In Lakhs)	
Particulars	Notes	For the period March 31, 2024	For the period March 31, 2023
I Revenue from operations	26	18,205.24	33,390.95
II Other Income	27	968.15	486.26
III Total Income		19,173.39	33,877.22
IV EXPENDITURE			
Cost of Materials Consumed	28	16,938.68	27,727.73
Changes in Inventories of Finished Goods & Work-in-Progress	29	(113.63)	(24.14)
Stock in traded good	30	-	28.33
Employee Benefits Expense	31	431.28	461.25
Finance Costs	32	7.78	25.37
Depreciation and Amortization	33	194.79	156.31
Other Expenses	34	1,789.74	1,688.72
IV Total Expenses		19,248.64	30,063.58
V Profit Before Tax		(75.25)	3,813.64
VI Tax Expenses			
Current Tax		(98.16)	880.00
Deferred Tax		(11.12)	33.81
VI Total Tax Expense		(109.29)	913.81
VII Profit for the year		34.03	2,899.83
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement of the net defined benefit plan		-	6.40
Fair value changes of various Financial instruments		23.44	-
		-	-
(ii) Income tax relating to items that will not be reclassified to profit & loss		-	-
Re-measurement of the net defined benefit plan		-	(3.20)
Fair value changes of various Financial instruments		(5.90)	-
		-	-
VIII Total other comprehensive income for the year, net of tax		17.54	3.20
IX Total comprehensive income for the year (VII + VIII)		51.57	2,903.03
(Total of profit and other comprehensive income for the year)			
Earnings per equity share of ₹10/- each (PY: ₹10/- each)	35		
(1) Basic		0.14	8.91
(2) Diluted		0.14	8.91

The above statement of Profit and Loss should be read in conjunction with the accompanying notes.

(Note No.1-43)

As per our report of even date attached

For **Raman S Shah & Co**
Chartered Accountants
(Firm Regn No. 111919W)

Sd/-
Mr. Raman S Shah
Proprietor
M. No.033272
Place : Mumbai
Date - 14th May 2024

UDINo- 24033272BKCRHM4839

For **Valiant Laboratories Limited**

Sd/-
Mr. Santosh Shantilal Vora
(Managing Director)
DIN - 07633923

Sd/-
Ms. Prajakta Patil
Company Secretary
ICSI M.No.: A53370

Sd/-
Mr. Pares Shashikant Shah
Director & CFO
DIN - 08291953

Standalone Statement of Cash Flows

for the year ended March 31, 2024

Particulars	(₹ In Lakhs)	
	March 31, 2024	March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES ;		
Net Profit before tax and extra ordinary items	(75.25)	3,813.64
Balance as on April 1, 2023		
Depreciation	194.79	156.31
Interest Paid	7.78	25.37
Rent Income		
Operating Profit/(Loss) before Working Capital Changes	127.32	3,995.32
Adjusted for:		
(Increase)/Decrease in Trade Receivables	4,284.68	2,220.08
(Increase)/Decrease in Inventories	302.70	276.15
(Increase)/Decrease Loans	3,237.31	-
(Increase)/Decrease Other Current Assets	(545.53)	(3,255.31)
Increase/(Decrease) in Financial Assets	(193.91)	-
(Increase)/Decrease Other non-Current Assets	4.84	20.10
Increase/(Decrease) in Trade Payable	(2,253.20)	683.94
Increase/(Decrease) in Lease Liabilities	(15.96)	37.22
Increase/(Decrease) in Other Current Liabilities	(81.26)	84.27
Increase/(Decrease) in Financial Liabilities	(86.96)	(886.15)
Cash generated from operations	4,780.03	3,175.62
Income Tax Paid	98.16	(880.00)
Net cash from operating activities	4,878.19	2,295.62
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment (including capital advances)	(375.93)	(706.83)
Bank Balances not considered as Cash and Cash Equivalents	(9,441.34)	1,992.00
Other Investment	(8,455.64)	(3,402.86)
Rent Received	-	
Net Cash used in investing activities	(18,272.90)	(2,117.69)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(7.78)	(25.37)
Proceeds / (Repayments) of Borrowings (net)	-	-
Proceeds / (Repayments) of short term Borrowings (net)	-	(128.07)
Exp for issue of Share capital	-	-
Proceeds / (Repayments) of share capital	13,587.54	-
Net Cash used in financing activities	13,579.76	(153.44)
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	185.04	24.49
Cash and Cash Equivalents at the beginning of the year	37.62	13.13
Cash and Cash Equivalents at the end of the year	222.67	37.62

Standalone Statement of Cash Flows

for the year ended March 31, 2024

1. The accompanying notes are an integral part of the Ind AS financial statements.
2. Previous Year's figures are regrouped / rearranged wherever required.
3. Figures in brackets indicate cash outgo.
4. The above Cash Flow Statement has been prepared under "Indirect Method" set out in Ind AS 7 Statement of Cash Flow.
5. Cash and Cash Equivalents comprises of:

Particulars	(₹ In Lakhs)	
	March 31, 2024	March 31, 2023
a. Cash on Hand	3.07	5.54
b. Balances with Banks	219.59	32.08
Total	222.67	37.62

As per our report of even date attached

For **Raman S Shah & Co**

Chartered Accountants

(Firm Regn No. 111919W)

Sd/-

Mr. Raman S Shah

Proprietor

M. No.033272

Place : Mumbai

Date - 14th May 2024

UDINo- 24033272BKCRHM4839

For **Valiant Laboratories Limited**

Sd/-

Mr. Santosh Shantilal Vora

(Managing Director)

DIN - 07633923

Sd/-

Mr. Paresh Shashikant Shah

Director & CFO

DIN - 08291953

Sd/-

Ms. Prajakta Patil

Company Secretary

ICSI M.No.: A53370

Standalone Statement of Changes in Equity

for the period March 31, 2024

A. Equity Share Capital

Current Reporting Period

Particulars	(₹ In Lakhs)			
	Balance as on April 1, 2023	Restated Balance at the current reporting periods	Changes in equity share capital during the period	Balance as on 31-03-2024
Ordinary Equity Shares	3,256.00	3,256.00	1,089.00	4,345.00
Total	3,256.00	3,256.00	1,089.00	4,345.00

Previous Reporting Period

Particulars	(₹ In Lakhs)			
	Balance as on April 1, 2022	Restated Balance at the current reporting periods	Changes in equity share capital during the period	Balance as on 31-03-2023
Ordinary Equity Shares	1,628.00	1,628.00	1,628.00	3,256.00
Total	1,628.00	1,628.00	1,628.00	3,256.00

B. Other Equity

Particulars	(₹ In Lakhs)	
	Reserve and surplus	Total other equity
	Securities Premium	Retained earnings
Balance as at 01 st April 2022		-
Changes in accounting policies and prior periods errors		
Restated balance at April 2022		2,256.15
Net profit for the year	-	2,899.83
Remeasurement Gain/(Loss) on defined benefit plan (net off tax)	-	3.20
Security Premium	3,261.90	-
Bonus Share issue during the year	(1,628.00)	-
Expenses incurred for issuance of Bonus Shares	-	-
Balance as at 31st March 2023	1,633.90	5,159.18
Changes in accounting policies and prior periods errors		
Restated balance at April 2023		
Net profit for the year	12,498.54	34.03
Remeasurement Gain/(Loss) on defined benefit plan (net off tax)	-	17.54
Bonus Issue during the year	-	-
Balance as at 31st March 2024	14,132.44	5,210.75

1 The above Statement of Changes in Equity be read in conjunction with the accompanying notes.

2 Previous Year's figures are regrouped / rearranged wherever required.

As per our report of even date attached

For **Raman S Shah & Co**
Chartered Accountants
(Firm Regn No. 111919W)

Sd/-
Mr. Raman S Shah
Proprietor
M. No.033272
Place : Mumbai
Date - 14th May 2024

UDINo- 24033272BKCRHM4839

For **Valiant Laboratories Limited**

Sd/-
Mr. Santosh Shantilal Vora
(Managing Director)
DIN - 07633923

Sd/-
Ms. Prajakta Patil
Company Secretary
ICSI M.No.: A53370

Sd/-
Mr. Paresh Shashikant Shah
Director & CFO
DIN - 08291953

Statement of Significant Accounting Policies and other Related Notes

A Corporate Information

VALIANT LABORATORIES LIMITED ("VLL" or "The Company") is public limited entity incorporated in India. The registered office of the Company is located at 104 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080 INDIA, The Company is engaged in manufacturing and dealing in Pharmaceuticals and specialty chemicals. The Company & its Indian Subsidiary will be considered as Group

The financial statements of the Company for the year ended 31.3.2024 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 14th May, 2024

2 Summary of Basis of compliance basis of preparation, presentation and Critical, Accounting Estimates, Assumptions and Judgements.

2.1 Basis of Compliance

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

B Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (referred to as "IND AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

These Financial statement are prepared under the historical cost convention on an accrual basis except for certain financial instrument, which are measured at fair value, which are disclosed in the financial statement.

The classification of assets and liabilities of the company is done into current and non-current based on the operating cycle of the company. The Operating cycle of the business of the company is less than twelve months and therefore all current and non-current classification are done on the status of reliability and expected settlement of the respective assets and liability within a period of twelve months from the reporting date as required by Schedule III to the companies Act 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or revision to an existing accounting standard required a change in the accounting policy hitherto in use.

The financial statements are presented in Indian rupees ('INR') and all valued are rounded to the nearest rupees in lakhs except otherwise indicated

C Significant accounting judgement, estimates, and assumption

The preparation of financial statements requires management judgements, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets and liabilities in future periods.

Estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

Judgments

The company's management has made the following judgement, which have the most significant effect on the amounts recognised in the separate financial statements, while formulating the company's accounting policies.

a Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are

Statement of Significant Accounting Policies and other Related Notes

unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b Defined Benefit Plans (Gratuity Benefits)

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

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operated in India), the management considers the interest rates of government bond in currencies which are consistent with post- employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from the analysis since that they do not represent high quality corporate bonds.

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

c Useful lives of property, plant and equipment

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

d Impairment of property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstance known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

D Summary of Significant accounting policies

I Current and non-current classification

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013 Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when :-

It is expected to be realised or intended to be sold or consumed in normal operating cycle;

It is held primarily for the purpose of trading

It is expected to be realised within 12 months after the reporting period; or

It is cash and cash equivalent unless restricted from being exchange or used to settle a liability for at least twelve months after the reporting period

The company's classifies all other assets as Non-Current

A Liability is treated as current when

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period; or

Statement of Significant Accounting Policies and other Related Notes

There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The company's classifies all other assets as Non-Current

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

II Property, plant and equipment (PPE)

- i Property, plant and equipment are stated at cost net of tax /duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. when significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replace part. and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognised in the statement of profit and loss as incurred.
- ii Long term lease arrangements of land are treated as property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.
- iii Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the property, Plant and equipment of the project proportionately on capitalisation.
- iv Borrowing cost on property, plant and equipment's are capitalised when the relevant recognition criteria specified in IND AS 23 Borrowing cost is met.
- v Decommissioning costs, if any, on property, plant and equipment are estimate at their present value and capitalised as part of such assets.
- vi An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected with the carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charge to profit or loss during the reporting period in which they are incurred.

- vii The residual value and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

- viii The Property, plant and equipment existing on the date of transition are accounted on deemed cost basis by applying para D7AA in accordance with the exemption provided in IND AS 101 "First-time Adoption of Indian Accounting Standards" at previous GAAP carrying value (Deemed Cost).

III Depreciation methods, estimated useful lives and residual value

Depreciation on Fixed Assets is provided on Straight Line Method (SLM) method as per rates prescribed in Schedule II of the Companies Act, 2013, except in the respect of the following assets, where useful life of asset is different than those prescribed in Schedule II of the Act.

Particulars	Depreciation
Factory Building (Useful 30 Years)	Over its useful life as assessed
Plant & Machinery (Useful life 19 years)	Over its useful life as assessed
Vehicle (Useful life 10 years)	Over its useful life as assessed
Leasehold Land	Over the period of lease term

IV Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

V Inventories

Items of inventories are valued lower of cost or estimated net realisable value as given below.

i Raw Materials and Packing Materials:

Raw Materials and packing materials are valued at Lower of Cost or market value, (Cost is net of taxes duty and wherever applicable). However materials and other items held for use in the production of

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inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on FIFO method

ii Work in process:

Work in process are valued at the lower of cost and net realizable value. The cost is computed on weighted average method.

iii Finished Goods and Semi finished goods :-

Finished Goods and Semi finished goods are valued at lower of cost and net realised value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other cost incurred in acquiring the inventory and bringing them to their present location and condition. Taxes is considered as cost for finished goods, whenever applicable.

iv Stores and Spares:

Stores and spare parts are valued at lower of purchase Costs are determined on Weighted Average method and net realisable value.

v Traded Goods:

Traded Goods are valued at lower of purchase cost and net realisable value.

VI Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposit with banks, which are short term, highly liquid investment, that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

VII Equity investment

All equity investment in scope of INDAS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL . For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. the classification is made on initial recognition and is irrevocable. if the company decides to classify an equity instrument as at FVTOCI, then all fair value change on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, The company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit & loss.

VIII Foreign Currency Translation:

The company's financial statements are presented in INR, which is also the company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

IX Provisions, Contingent Liabilities and Contingent Assets

i Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events, it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

ii Contingent liabilities

Contingent liabilities are disclosed in respect of possible obligations that arise from past event, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

iii Contingent Assets

A contingent assets is not recognised unless it become virtually certain that an inflow of economic benefit will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date

X Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

XI Fair Value Measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair

Statement of Significant Accounting Policies and other Related Notes

value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: -

In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair measurement of a non financial assets takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :-

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly and indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly and indirectly unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

XII Revenue Recognition

i Revenue from Operations :

Ind AS 115 is effective from 1st April 2018 and it replaces Ind AS 18. It applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognized at point in time when the performance obligation with respect to Sale of goods or rendering of services to the Customer which is the point in time when the customer receives the goods and services.

Revenue from related parties is recognized based on transaction price which is at arm's length.

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentive given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Statement of Significant Accounting Policies and other Related Notes

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established. This is applicable in case of Job Work services given by the Company to the Customers.

The Company disaggregates revenue from sale of goods or rendering of services with customers by product classification, geographical region and customer category.

Use of significant judgements in revenue recognition

The company assesses the service promised in a contract and identifies distinct performance obligation in the contract. Identification of distinct preformation obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, price concessions. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financial component.

The company used judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct service promised in the contract.

ii Other Operating Income / Other Income

- Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.

The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue

Interest income from a financial asset is recognized when it is probable that the economic

benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle 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.

- Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- Dividend income is recognised when the right to receive the same is established
- Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the Income statement.
- For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments
- Insurance Claim are accounted when the right to receive is established and the claim is admitted by the surveyor

XIII Taxes

Tax expenses comprise Current Tax and Deferred Tax.:

i Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to item recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary

Statement of Significant Accounting Policies and other Related Notes

differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will the deferred tax assets to be recovered.

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

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

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws. For items recognised in OCI or equity, deferred / Current tax is also recognised in OCI or Equity.

XIV Leases :

At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

operating lease

Lease in which a significant portion of the risk and reward of ownership are not transferred to the company as lessee are classified as operating lease.

Payments made under operating leases (net of any incentives received from the lessor) are charge to statement of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected general inflation to compensate for the lessor's expected inflationary cost increase.

Finance Lease

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the company are classified as finance lease. A Finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of the outstanding liability. The Finance expenses 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.

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

XV Research and Development :

Revenue expenditure on Research and Development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to property, plant and equipment/intangible assets.

Statement of Significant Accounting Policies and other Related Notes

XVI Dividend Distribution :

Dividend distribution to the company's equity holders is recognized as a liability in the company's annual accounts in the year in which the dividends are approved by the company's equity holders.

XVII Trade Payables & Trade Receivables

A Payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due to account of goods sold or services rendered in the normal course of business.

XVIII Government Grants :

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

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the statement of profit and loss in a systematic basis over the expected life of the related assets and presented within other 'income.

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

XIX EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XX Previous Year

Previous Year's figures are regrouped / rearranged wherever required.

Notes Forming Part of Financial Statement

as at March 31, 2024

4 Property, Plant and Equipment

Capital Work In Progress Ageing Schedule:

As at 31st March 2024

Particulars-CWIP	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in Progress	9.00	4.58	-	-	13.58
Projects temporarily suspended	-	-	-	-	-

(₹ In Lakhs)

Notes Forming Part of Financial Statement

as at March 31, 2024

6 Investment (Contd..)

6.2 Current Investments

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Other Investments - FVTPL		
Quoted Investments		
- Investments in Mutual Fund -Measured at FVTPL	3,761.17	3,401.86
Total	3,761.17	3,401.86

Other Investments

(₹ In Lakhs)				
Particulars	Mar 31, 2024		March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
I. Investments carried at fair value -				
Measured at FVTPL				
Investments in Mutual Fund (Quoted)				
ICICI Prudential Equity Arbitrage Regular Growth Fund	50,02,138.60	1,556.40	-	-
- Kotak Liquid Fund Regular Growth Fund	20,631.96	1,096.09	35,440.88	1,659.46
- SBI Liquid Fund Regular Growth Fund	30,469.50	1,108.67	48,236.00	1,742.40
	50,53,240.06	3,761.17	83,676.88	3,401.86

1. Aggregate value of quoted investments and its market value is ₹3761.17 lakhs (PY 3401.86 lakhs).

7 Other Non-current Financial Assets

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Security Deposits		
Security Deposit	264.14	70.23
Unsecured, Considered Good		
Total	264.14	70.23

8 Other Non Current Assets

(Unsecured, unless otherwise stated)

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Capital Advances	1.99	6.83
Total	1.99	6.83

9 Inventories (at lower of cost and net realisable value)

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Inventories*		
Raw Material (incl In-transit stock)	366.33	787.37
Work-in-Progress	302.66	205.84
Finished Goods	319.62	302.80
Packing Materials	6.93	2.43
Stores & Spares	6.00	5.79
Total	1,001.54	1,304.23

Notes Forming Part of Financial Statement

as at March 31, 2024

9 Inventories (at lower of cost and net realisable value) (Contd..)

9.1 Goods in Transit

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Raw Material (In Transit Stock)	0.00	48.73
Total	-	48.73

10 Trade Receivables

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Trade receivables	4,572.15	8,881.25
Less: Impairment Allowance	(24.41)	(24.41)
Trade Receivables (net)	4,547.74	8,856.84
Break-up of security details		
(i) Unsecured, considered good	4,572.15	8,856.84
(ii) Unsecured, credit impaired	24.41	24.41
	4,596.57	8,881.25
Less: Impairment Allowance	(24.41)	(24.41)
Total	4,572.15	8,856.84

- (a) Due to the short nature of credit period given to customers, there is no financing component in the contract.
- (b) The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables. The Company follows the simplified approach for recognition of impairment allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

(c) Movement in impairment allowance on trade receivables

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Balance at the beginning of the year	24.41	-
Allowances / (write back) during the year		24.41
Written off against past provision		-
Balance at the end of the year	24.41	24.41

(d) Trade receivables (current) ageing :

As at 31st March, 2024

(₹ In Lakhs)							
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - considered good	2,601.81	1,923.97	56.45	0.01	-	14.33	4,596.57
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	2,601.81	1,923.97	56.45	0.01	-	14.33	4,596.57
Less - Impairment Allowance							(24.41)
Total	2,601.81	1,923.97	56.45	0.01	-	14.33	4,572.15

Notes Forming Part of Financial Statement

as at March 31, 2024

10 Trade Receivables (Contd..)

As at 31 March, 2023

	Outstanding for following periods from due date of payment						(₹ In Lakhs)
	Not Due	Less than 6 Month	6 Month to 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Undisputed Trade Receivables - considered good	8,803.51	46.01	9.99	-	-	21.73	8,881.25
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	8,803.51	46.01	9.99	-	-	21.73	8,881.25
Less - Impairment Allowance							(24.41)
Total	8,803.51	46.01	9.99	-	-	21.73	8,856.84

11 Cash and Cash Equivalents

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Cash and Cash Equivalents		
(a) Balances with banks	219.59	32.08
(b) Cash on hand	3.07	5.54
Total	222.67	37.62

12 Bank Balances Other than Cash & Cash Equivalents

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Other Bank Balances		
Fixed Deposits	9,449.34	8.00
Total	9,449.34	8.00

13 Current Financial Assets - Loans (at amortised cost)

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Unsecured, Considered Good		
Loan to Employees	3.04	7.05
Advance to Related Parties	-	3,233.30
Total	3.04	3,240.35

14 Other Current Assets

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Other Current Assets		
Balance with Statutory / Government Authorities	1,292.26	632.02
Receivable - Others	187.39	72.23
Prepaid Expenses	14.02	51.92
Advance to Suppliers	15.43	401.75
Total	1,509.09	1,157.91

Notes Forming Part of Financial Statement

as at March 31, 2024

15 Current Tax Assets (Net)

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Advance Tax and Tax Deducted at Source (Net of Provision)	407.81	189.52
Total	407.81	189.52

16 Equity Share Capital

16.1 Authorised Share Capital

Particulars	(₹ In Lakhs)			
	Mar 31, 2024	March 31, 2023		
	Number	Amount	Number	Amount
Authorised:	-	-	-	-
4,50,00,000 Equity Shares of ₹10/- each (March 31, 2023 - 4,50,00,000)	4,50,00,000	45,00,00,000	4,50,00,000	45,00,00,000
Total	4,50,00,000	45,00,00,000	4,50,00,000	45,00,00,000

Issued, Subscribed & Paid Up:

Particulars	(₹ In Lakhs)			
	Mar 31, 2024	March 31, 2023		
	Number	Amount	Number	Amount
Equity Share Capital	3,25,60,000	3,256.00	1,62,80,000	1,628.00
Add: Right Share issue during the year	-	-	-	-
Add: Fresh Issue of Shares*	1,08,90,000	1,089.00	-	-
Add: Issue of Bonus Shares	-	-	1,62,80,000	1,628.00
4,34,50,000 Equity Shares of ₹ 10 each (March 31, 2023 - 3,25,60,000)	4,34,50,000	4,345.00	3,25,60,000	3,256.00

*The increase in equity share capital is on account of Initial Public Offer undertook on 6th Oct 2023, where No. of shares issued were 1,08,90,000 at Issue price of ₹140 each (Face Value ₹10 and Securities Premium ₹130)

Rights, preferences and restrictions attached to equity shares

Equity Shares

The Company has only one class of Shares referred to as Equity Shares having par value of ₹10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.2 Reconciliation of Equity Shares Outstanding

A. Reconciliation of number of ordinary equity shares outstanding

Ordinary Equity Shares Outstanding	(₹ In Lakhs)			
	Mar 31, 2024	March 31, 2023		
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,25,60,000	3,256.00	1,62,80,000	1,628.00
Add: Fresh Issue of Shares	1,08,90,000	1,089.00	-	-
Add: Issue of Bonus shares (1:1) (P.Y. Bonus issue (1:10))	-	-	1,62,80,000	1,628.00
Shares outstanding at the end of the year	4,34,50,000	4,345.00	3,25,60,000	3,256.00

Notes Forming Part of Financial Statement

as at March 31, 2024

16 Equity Share Capital (Contd..)

16.3 Details of Shares held by each shareholder holding more than 5% shares

(₹ In Lakhs)

A.	Ordinary Equity Shares	Mar 31, 2024		March 31, 2023	
		Number	% of Holding	Number	% of Holding
-	Dhanvallah Ventures LLP	2,03,50,000	46.84%	2,03,50,000	62.50%
-	Paresh Shashikant Shah	40,67,690	9.36%	40,67,690	12.49%
-	Shantilal Shivji Vora	32,59,190	7.50%	32,59,190	10.01%
-	Santosh Shantilal Vora	32,59,190	7.50%	32,59,190	10.01%

B. Details of Shares held by each Promoters

(₹ In Lakhs)

Ordinary Equity Shares	Mar 31, 2024		March 31, 2023		
	Number	% of Holding	Number	% of Holding	
-	Dhanvallah Ventures LLP	2,03,50,000	46.84%	2,03,50,000	62.50%
-	Shantilal Shivji Vora	32,59,190	7.50%	32,59,190	10.01%
-	Santosh Shantilal Vora	32,59,190	7.50%	32,59,190	10.01%

17 Other Equity

(₹ In Lakhs)

Particulars	Mar 31, 2024	March 31, 2023
a. Securities Premium	14,132.44	1,633.90
b. Retained Earning	5,210.75	5,159.18
Total, Other Equity	19,343.19	6,793.08

Nature and Purpose of Reserves

Securities Premium

Security Premium Reserve is the additional amount charged on the face value of any share when the shares are issued, redeemed, and forfeited.

Retained Earning

Retained earning are the profits that the Company has earned till date, less any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

a. Securities Premium

(₹ In Lakhs)

Particulars	Mar 31, 2024	March 31, 2023
Opening Balance	1,633.90	3,261.90
Add - Reserve During the year	12,498.54	
Less - Bonus Share issue during the year		1,628.00
Closing Balance	14,132.44	1,633.90

b. Retained Earning

(₹ In Lakhs)

Particulars	Mar 31, 2024	March 31, 2023
Retained Earning		
Opening Balance (Surplus in Profit & Loss)	5,159.18	2,256.15
Add: Net Profit for the year	34.03	2,899.83
Less: Remeasurement (Loss) on defined benefit plan (net off tax)	17.54	3.20
Amount available for appropriation	5,210.75	5,159.18
Appropriation:		
Expenses incurred for issuance of Bonus Shares		-
Closing Balance	5,210.75	5,159.18

Notes Forming Part of Financial Statement

as at March 31, 2024

18 Borrowings

18.1 Non-current

	(₹ In Lakhs)	
Particulars	Mar 31, 2024	March 31, 2023
(a) Unsecured		
Balance as on April 1, 2023	-	-
- Indian currency loan	5,940.02	5,940.02
Total	5,940.02	5,940.02

18.2 Current

	(₹ In Lakhs)	
Particulars	Mar 31, 2024	March 31, 2023
(a) Repayable on demand from Banks (secured)		
- Cash Credit Facility	-	-
Total	-	-

Footnotes:

- Working capital facilities from banks as at March 31, 2024 amounting to ₹ Nil (P.Y - Nil) were secured by a first pari passu charge on the stock of raw materials, finished goods, stock in process, consumable stores, book debts of the Company & Immovable Property - Factory Land & Building at L-13, L-28, L-28PT, L-29 and L-30 at MIDC Tarapur.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- There are no material differences between the quarterly statements of stock filed by the company with banks and the books of accounts.
- The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

19 Lease Liability

19.1 Non-current

	(₹ In Lakhs)	
Particulars	Mar 31, 2024	March 31, 2023
Long term maturities of lease obligations	42.69	64.24
Total	42.69	64.24

19.2 Current

	(₹ In Lakhs)	
Particulars	Mar 31, 2024	March 31, 2023
Current maturities of finance lease obligations	23.10	17.52
Total	23.10	17.52

Footnotes:

- The Company has lease contracts for its office premises and godowns with lease term between 1 year to 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of office premises and godowns with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.
- The movement in lease liabilities during the year ended 31 March, 2024 and 31 March, 2023 is as follows:

	(₹ In Lakhs)	
Particulars	Mar 31, 2024	March 31, 2023
Balance at the beginning	81.76	44.54
Additions		44.00
Accretion of interest	7.14	5.22
Payment of lease liabilities	(23.10)	(12.00)
Balance at the end	65.79	81.76
Non-current	42.69	64.24
Current	23.10	17.52

Notes Forming Part of Financial Statement

as at March 31, 2024

19 Lease Liability (Contd..)

(b) The following are the amounts recognised in profit or loss:

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Depreciation on right-of-use assets	19.06	16.78
Interest expense on lease liabilities	7.14	5.22
Expense relating to short-term leases	23.10	12.00
Total amount recognised in statement of profit and loss	49.30	34.00

20 Other Non-Current Financial Liabilities

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Security Deposit	96.14	96.14
AARTI INDUSTRIES LTD	96.14	96.14
Total	96.14	96.14

21 Provisions

21.1 Non-current

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Provision For Employees Benefit		
Provision for Gratuity	-	-
Provision for Leave Salary	8.00	7.85
Total	8.00	7.85

21.2 Current

(₹ In Lakhs)		
Particulars	Mar 31, 2024	March 31, 2023
Provision For Employees Benefit		
Provision for Gratuity	(6.53)	(4.64)
Provision for Leave Salary		0.50
Provision for Bonus	18.09	15.90
Total	11.56	11.76

Footnotes:

- The Company presents provision for gratuity and leave salaries as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employees, etc.
- Detailed disclosure in respect of post-retirement defined benefit schemes is provided in note 31.

22 Deferred Tax

Major components of deferred tax liabilities/(assets) arising on account of timing difference:

As at 31st March, 2024

(₹ In Lakhs)				
Particulars	As on 1 st April, 2023	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31 st March, 2024
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	78.09	51.15	-	129.24

Notes Forming Part of Financial Statement

as at March 31, 2024

22 Deferred Tax (Contd..)

Particulars	(₹ In Lakhs)			
	As on 1 st April, 2023	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31 st March, 2024
(b) Deferred tax assets, on account of:	-	-	-	-
Provision for expense allowed for tax purpose on payment basis (Net)	(49.54)	(6.14)	-	(55.69)
Remeasurement of the defined benefit plans through OCI	(2.66)	(4.92)	-	(7.58)
Difference in carrying value and tax base of investments in equity instruments measured at FVTPL	40.94	(45.30)	-	(4.36)
Difference in Right-of-use asset and lease liabilities	(0.21)	-	-	(0.21)
Deferred tax expense/(benefit) for the year	-	-	-	-
(c) Net Deferred tax liabilities	66.62	(5.22)	-	61.40

As at 31st March, 2023

Particulars	(₹ In Lakhs)			
	As on 1 st April, 2022	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As on 31 st March, 2023
(a) Deferred tax liabilities, on account of:				
Difference between WDV of depreciable fixed assets as per the books of accounts and Income Tax Act, 1961	29.27	48.81	-	78.09
(b) Deferred tax assets, on account of:	-	-	-	-
Provision for expense allowed for tax purpose on payment basis (Net)	-	(49.54)	-	(49.54)
Remeasurement of the defined benefit plans through OCI	0.54	(3.20)	-	(2.66)
Difference in carrying value and tax base of investments in equity instruments measured at FVTPL	-	40.94	-	40.94
Difference in Right-of-use asset and lease liabilities	(0.21)	-	-	(0.21)
Deferred tax expense/(benefit) for the year	-	-	-	-
(c) Net Deferred tax liabilities	29.61	37.01	-	66.62

The major components of Income Tax Expense for the year:

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
(i) Income tax recognised in the Statement of Profit and Loss		
Current tax:		
For current year	(98.16)	880.00
Deferred tax:		
For current year	(11.12)	33.81
Income tax expense recognised in the Statement of Profit and Loss	(109.29)	913.81
(ii) Income tax expense recognised in Other Comprehensive Income		
Deferred tax:		
Income tax (expense) / benefit on remeasurement of defined benefit plans	-	(3.20)
Income tax (expense) / benefit on Fair Value Changes on various Financial Instruments	(5.90)	-
Income tax benefit / (expense) recognised in OCI	(5.90)	(3.20)

Notes Forming Part of Financial Statement

as at March 31, 2024

22 Deferred Tax (Contd..)

Reconciliation of tax expense and accounting profit for the year:

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Profit before tax	(75.25)	3,813.64
Income tax expense calculated at 25.168%	(18.94)	959.82
Tax effect on non-deductible expenses	67.62	55.17
Effect of Income which is taxed at special rates	57.34	28.31
Effect of concessions (depreciation under income tax act)	(89.69)	(73.36)
Others	(114.50)	(89.94)
Total	(98.16)	880.00
Tax expense as per Statement of Profit and Loss	(98.16)	880.00

The tax rate used for reconciliation above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under Indian tax law. This rate is applicable subject to certain conditions, including that the total income should be computed without claiming specific deduction or exemptions.

23 Trade Payables

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
Trade & Non-Trade Payables		
Trade payables *	2,476.43	4,729.63
(a) Total Outstanding Dues of Micro enterprises and Small Enterprises; and	25.07	0.62
(b) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	2,451.36	4,729.01
Total	2,476.43	4,729.63

(i) Trade payables ageing:

As at 31st March, 2024

Particulars	(₹ In Lakhs)						Total	
	Outstanding for the following periods from due date of payment							
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years		
(i) MSME	-	25.07	-	-	-	-	25.07	
(ii) Others	-	2,410.96	40.33	0.03	0.04	-	2,451.36	
(iii) Disputed Dues - MSME								
(iv) Disputed Dues - Others								
	-	2,436.03	40.33	0.03	0.04	-	2,476.43	

As at 31st March, 2023

Particulars	(₹ In Lakhs)						Total	
	Outstanding for the following periods from due date of payment							
	Unbilled	Not Due	< 1 year	1 Year - 2 Years	2-3 Years	> 3 Years		
(i) MSME	-	0.62	-	-	-	-	0.62	
(ii) Others	-	4,717.69	6.71	2.60	2.00	0.00	4,729.01	
(iii) Disputed Dues - MSME								
(iv) Disputed Dues - Others								
	-	4,718.31	6.71	2.60	2.00	0.00	4,729.63	

Notes Forming Part of Financial Statement

as at March 31, 2024

23 Trade Payables (Contd..)

(ii) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended)

Particulars	(₹ In Lakhs)	
	March 31, 2024	As at March 31, 2023
(i) (a) Principal amount remaining unpaid to any supplier	25.07	0.62
(b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	-	-
(iv) Amount of further interest remaining due and payable for the earlier years	-	-
(v) Total outstanding dues of Micro and Small Enterprises	-	-
- Principal	25.07	0.62
- Interest	-	-

24 Other Financial Liabilities

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
(a) Creditors for Capital Goods	21.56	45.21
(b) Salaries and Wages Payable	29.43	59.89
(c) Outstanding Expenses	63.89	96.74
Total	114.88	201.84

25 Other Current Liabilities

Particulars	(₹ In Lakhs)	
	Mar 31, 2024	March 31, 2023
(a) Revenue Received in Advance	7.65	84.13
(b) Statutory Dues	2.78	7.01
Total	10.43	91.14

26 Revenue from Operations

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Sale of Manufactured Products	18,018.69	33,174.75
(b) Other revenue from operation	186.56	180.00
(c) Sale of Traded Products	-	36.20
Total	18,205.24	33,390.95

Footnotes:

(a) Reconciliation of revenue as per contract price and as recognised in the Statement of Profit and Loss:

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Revenue as per contract price	18,205.24	33,390.95
(b) Less: Discount	-	-
Revenue as per the Statement of Profit and Loss	18,205.24	33,390.95

Disaggregate revenue information

- (b) In case of Domestic Sales, payment terms range from 60 days to 100 days based on geography and customers. In case of Export Sales these are either against documents at sight, documents against acceptance or letters of credit - 60 days to 120 days. There is no significant financing component in any transaction with the customers.

Notes Forming Part of Financial Statement

as at March 31, 2024

26 Revenue from Operations (Contd..)

- (c) The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- (d) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

27 Other Income

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest Income		
Investments in debt instruments measured at fair value	0.66	0.63
Other financial assets carried at amortised cost	267.08	25.91
	267.74	26.54
(b) Other Non-operating Income		
Foreign Exchange Gain/ (Loss)	28.86	58.27
Gain on Financial Instrument	320.05	
Sale of Scrap	-	-
Miscellaneous Income	267.33	17.74
	616.24	76.01
(d) Other Gains and Losses		
Net gains (Losses) on fair value changes through FVTPL	84.17	383.71
Total	968.15	486.26

28 Cost of Materials Consumed

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Raw Materials Consumed		
Opening Stock (including goods-in-transit)	3,655.86	1,088.72
Add: Purchases	16,445.43	27,346.39
	20,101.29	28,435.11
Less: Closing Stock (including goods-in-transit)	3,234.82	787.37
	16,866.47	27,647.74
(b) Packing Materials Consumed		
Opening Stock	16.27	5.95
Add: Purchases	82.72	76.47
	98.99	82.42
Less: Closing Stock	26.77	2.43
	72.22	79.99
Total Cost of Materials Consumed	16,938.68	27,727.73

29 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes in Inventories of Finished Goods & Work in Progress		
Stock at the end of the year		
Finished Goods (including goods-in-transit)	1,445.93	302.80
Work-in-Progress	1,650.33	205.84
	3,096.26	508.64
Stock at the beginning of the year		
Finished Goods (including goods-in-transit)	2,769.56	216.76
Work-in-Progress	213.05	267.75
	2,982.61	484.51
(Increase)/decrease in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(113.63)	(24.14)

Notes Forming Part of Financial Statement

as at March 31, 2024

30 Stock in traded good

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Stock in traded good	-	28.33
Total	-	28.33

31 Employee Benefits Expenses

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Salaries and wages	383.95	411.91
(b) Contribution to provident and other funds	22.98	33.16
(c) Staff welfare expenses	24.35	16.19
Total	431.28	461.25

A. Defined benefit plans

(i) Post-employment benefits (Gratuity)

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognized funds in India. The company maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

- (i) **Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.
- (ii) **Interest risk:** A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the value of plan's debt investments.
- (iii) **Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.
- (iv) **Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Details of defined benefit obligations and plan assets (Gratuity)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows :

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Change in defined benefit obligations:		
Obligation at the beginning of the year	81.79	91.22
Current Service Cost	5.24	4.52
Interest Cost	6.13	6.60
Acturial (Gain)/Loss	4.61	(6.51)
Benefits Paid	(11.17)	(14.04)
Obligation at the end of the year	86.61	81.79

Notes Forming Part of Financial Statement

as at March 31, 2024

31 Employee Benefits Expenses (Contd..)

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Change in plan assets:		
Fair value of plan assets at the beginning of the year	86.43	92.01
Interest income	6.48	6.65
Remeasurement gain/(loss) excluding amount included within employee benefit expense	(0.30)	(0.11)
Contributions by the Employer	14.18	1.92
Benefits Paid	(11.17)	(14.04)
Fair value of plan assets at the end of the year	95.62	86.43

Amounts recognised in the balance sheet consist of:

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation	86.61	81.79
Fair Value of Plan Assets	(95.62)	(86.43)
	(9.01)	(4.64)
Recognised as:		
Provision for Gratuity (non-current)		
Provision for Gratuity (current)	(9.01)	(4.64)

Expense/(gain) recognised in the statement of profit and loss consists of:

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee benefits expenses:		
Current service cost	5.24	4.52
Net interest expense	(0.35)	(0.06)
	4.89	4.46
Other comprehensive income		
Return on plan assets excluding amount included in employee benefits expense	0.30	0.11
Actuarial (gain)/loss arising from changes in demographic assumption		-
Actuarial (gain)/loss arising from changes in financial assumption		-
Actuarial (gain)/loss arising from changes in experience adjustments	4.61	(6.51)
	4.91	(6.40)
Expense/(gain) recognised in the statement of profit and loss	9.80	(1.94)

The major categories of plans assets are as follows:

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Asset category		
Insurance fund	95.62	86.43
Total	95.62	86.43

Key assumptions used in the measurement of retiring gratuity is as below:

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Financial Assumptions:		
Discount Rate	7.22%	7.50%
Rate of escalation in Salary	5.50%	5.50%

Notes Forming Part of Financial Statement

as at March 31, 2024

31 Employee Benefits Expenses (Contd..)

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Demographic Assumptions:		
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Maturity profile of projected benefit obligation (from fund):

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
1 st following year	16.79	5.32
2 nd following year	2.77	10.69
3 rd following year	7.36	6.30
4 th following year	7.81	7.15
5 th following year	11.20	7.59
Sum of year 6 To 10	30.28	39.98
Sum of Years 11 and above	75.66	70.01

Footnotes

- (i) The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- (ii) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- (iii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- (iv) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.
- (v) The Company has contribute ₹14.18 lakhs (PY ₹1.92 lakhs) to defined benefit plan obligations funds for the year ended March 31, 2024.
- (vi) Expected return on assets is determined by multiplying the opening fair value of the plan assets by the expected rate of return determined at the start of the annual reporting period, taking account of expected contributions & expected settlements during the reporting period.
- (vii) The Weighted Average Duration of the Plan works out to 8 years.

(viii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy. There is no compulsion on the part of the Company to fully prefund the liability of the Plan.

(ii) Other long-term employee benefots

Annual Leave and Sick Leave assumptions

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2024 based on actuarial valuation carried out by using Projected Accrued Benefit Method resulted in liability of ₹8 lakhs.

Notes Forming Part of Financial Statement

as at March 31, 2024

31 Employee Benefits Expenses (Contd..)

B. Defined contribution plans

Provident Fund

The company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan are ₹16.56 lakhs (PY ₹16.84 lakhs).

32 Finance Costs

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expense-Bank	0.63	20.15
Interest on finance lease obligations	7.14	5.22
Particulars	7.78	25.37

Note: Finance costs incurred on various projects being qualifying assets is capitalised in accordance with Ind AS 23.

On adoption of Ind AS 116 Leases, the Company has recognised Right-of-use assets and created lease obligation representing present value of future minimum lease payments.

33 Depreciation, Amortisation and Impairment Expenses

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property plant and equipment	175.73	139.53
Depreciation on Right-of-use assets	19.08	16.78
Total	194.79	156.31

34 Other Expenses

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spare parts	5.79	12.75
Consumption of Power & Steam	820.86	726.01
Freight Octroi & Cartage	122.65	111.75
Repairs & Maintenance	-	-
- Building	67.19	31.67
- Plant & Machinery	155.52	129.15
Insurance Charges	20.45	14.72
Water & Drainage Charges	12.07	11.09
Effluent Treatment Plant Charge	16.29	21.06
Labour Charges	285.50	218.00
Statutory Liability	0.16	19.50
Safety & Security Charges	8.34	6.19
Laboratory charges	12.12	20.70
Legal and Professional Fees	43.59	43.01
Weighing charges	1.22	0.94
Vehicle Expenses	9.13	5.02
Commission and Incentives on sales	66.62	179.28
Auditor's Remuneration	1.50	4.56
Provision for Bad and Doubtful Debts	-	24.41
Sundry balance written off	(0.17)	(2.42)
Director Sitting Fees	3.62	1.70

Notes Forming Part of Financial Statement

as at March 31, 2024

34 Other Expenses (Contd..)

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Donation	0.36	
- Corporate Social Responsibility (refer note no.36)	67.44	62.91
Miscellaneous Expenses	69.50	46.74
Total	1,789.74	1,688.72

34.1 Details of payments to Auditors

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Payment to Auditors		
- For Statutory Audit	3.64	1.54
- For Other Services - Certificate	-	3.02
Total	3.64	4.56

35 Earning Per Share (Eps):

Basic EPS is calculated by dividing profit for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit available for Equity Shareholders	51.57	2,899.83
No. of Equity Shares as per financial statement	4,34,50,000	3,25,60,000
Weighted average number of Equity Shares for Basic Earnings Per Share* (nos.) (Previous year numbers include Bonus Shares issued during current year)	3,80,05,000	3,25,60,000
Weighted average number of Equity Shares for Diluted Earnings Per Share** (nos.) (Previous year numbers include Bonus Shares issued during current year)	3,80,05,000	3,25,60,000
Basic Earnings Per Share (in ₹)	0.14	8.91
Diluted Earnings Per Share (in ₹)	0.14	8.91

Number of Shares for Computation of EPS

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted EPS (in Nos)		
Existing (Nos)	3,25,60,000	1,62,80,000
Right issue share -Fresh Issue	1,08,90,000	-
Total Number of shares after conversion	4,34,50,000	1,62,80,000
Bonus Issue in Previous year	-	-
Bonus Issue in current year	-	1,62,80,000
Total Number of shares after Bonus issue	4,34,50,000	3,25,60,000

Notes Forming Part of Financial Statement

as at March 31, 2024

36 Contingent Liabilities and Commitments (To the extent not provided for)

Contingent Liabilities

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Claims against the Company not acknowledged as debts		
(i) GST matters		-
(ii) Income tax matters		-
(iii) Labour laws related matters (ESIC)		-
(iv) Bank Guarantee	8.00	3.00
(v) Corporate Guarantee*	1,665.04	
Total	1,673.04	3.00

*Corporate Guarantee given by VLL on behalf on VASPL is ₹100 crores out of which only ₹16.65 crores has been availed as on Mar 24

(a) Commitments

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	39.43
(b) Letters of Credit and Bank guarantees issued by bankers towards procurement of goods and services and outstanding as at year end		
Total		

(b) Corporate Social Responsibility

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Gross amount required to be spent by the Company during the year	68.31	62.91
(B) Amount approved by the Board to be spent during the year		
Construction / acquisition of any asset		-
On purposes other than above	68.31	65.00
Total		
(C) Amount spent during the year		
Construction / acquisition of any asset		-
On purposes other than above	67.44	62.91
Total		
(D) Details of ongoing project and other than ongoing project		
(i) In case of Section 135(6) (ongoing project)		
Opening Balance - With Company		-
- In Separate CSR Unspent A/c		-
Amount required to be spent during the year		-
Closing Balance - With Company		-
- In Separate CSR Unspent A/c		-
(ii) In case of Section 135(5) (other than ongoing project)		
Opening Balance	(2.80)	-
Amount deposited in Specified Fund of Sch. VII within 6 months		-
Amount required to be spent during the year	68.31	60.11
Amount spent during the year	67.44	62.91
Closing balance (Excess spent)	(1.34)	(2.80)

Notes Forming Part of Financial Statement

as at March 31, 2024

37 Segment Information

The operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, who are the Chief Operating Decision Makers (CODM). The board responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. pharmaceuticals.

(a) Revenue from Type of Product and Services

There is only one operating segment of the Company which is based on nature of product. Hence the revenue from external customers shown under geographical information is representative of revenue based on product and services.

(b) Geographical Information

Particulars	(₹ In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment Revenue - External Turnover		
Within India	18,111.51	33,260.60
Outside India	93.73	130.35
Total	18,205.24	33,390.95
Non-Current Assets*		
Within India	3,446.72	3,071.68
Outside India		
Total	3,446.72	3,071.68

* includes property plant and equipment, intangible assets, capital work-in-progress and other non-financial non-current assets.

(c) Information about major customers

Ind AS 108 Segment Reporting Requires Disclosure of its major customers if revenue from transactions with single external customer amounts to 10 per cent or more of company's total revenue to only one customer

38 Related Party Transactions

Disclosure on Related Party Transactions as required by Ind AS 24 - Related Party Disclosures is given below:

Holding

Name of holding	Relation
Dhanvallah Ventures LLP	Holding
Valiant organics limited	Ultimate holding
Valiant Advanced Sciences Private Limited	Wholly Owned Subsidiary Company

(a) Key Managerial Personnel:

Name	Designation
Mr Santosh Vora	Managing Director
Mr Shantilal Vora	Non Executive Director
Mr Paresh Shah	Executive Director & Chief Financial Officer
Mrs. Sonal Vira	Independent Director
Mr Velji Gogri	Independent Director
Mr Sandeep Gupta	Non Executive Director
Mrs Saloni Metha	Company Secretary

(b) Other entities where significant influence exist:

(i) Post employment-benefit plan entity:

The Trustee Valiant Laboratories Limited

Notes Forming Part of Financial Statement

as at March 31, 2024

38 Related Party Transactions (Contd..)

Compensation of key management personnel of the Company:

Particulars	(₹ In Lakhs)	
	March 31, 2024	March 31, 2023
(i) Short-term employee benefits	49.05	59.57
(ii) Director Sitting fees	3.43	1.58
Total compensation paid to key management personnel	52.49	61.15

Details of transactions with and balances outstanding with related parties (Companies / body corporates)

Name of related party	Nature of transaction	(₹ In Lakhs)	
		March 31, 2024	
		Transaction value	Outstanding amount
Dhanvallah Ventures LLP	Investment (Share Capital)	-	-
	Investment (Unsec Loan taken)	-	4,861.61
Aarti Industries Limited	Rent Received	-	106.20
	Sale of Goods	-	24.39
	Purchase of Goods	-	42.03
	Deposit	-	-
	Others - Reimbursement	-	36.74
Aarti Pharma Lab Limited	Rent Received	247.80	106.20
	Sale of Services	2.99	-
	Purchase of Goods	490.95	213.97
	Deposit	-	96.14
	Others - Reimbursement	570.07	19.20
Valiant Advanced Sciences Private Limited	Investment (Share Capital)	8,096.33	8,097.33
	Unsecured Loans Given	1,986.30	3,233.30
	Unsecured Loans Repayment	(5,219.60)	-
Valiant organics limited	Purchase of Goods	11,610.75	22,646.83
	Sale of Asset	25.49	-

Details of transactions with and balances outstanding of Key Managerial Personnel (KMP) / Close Family Member of Key Managerial Personnel:

Particulars	Nature of transaction	(₹ In Lakhs)	
		March 31, 2024	
		Transaction value	Outstanding amount
Mr Santosh Vora	Remuneration	12.00	-
	Unsecured Loan	-	360.03
	Commission	-	14.28
Mr Shantilal Vora	Commission	-	14.28
	Unsecured Loan	-	358.94
	Sitting Fees	0.93	0.50
Mr Pares Shah	Remuneration	15.00	15.00
	Unsecured Loan	-	359.43
	Commission	-	14.28
Mrs. Rachi Santosh Vora	Remuneration	15.00	1.25
Mrs. Sonal Vira	Sitting Fees	0.92	0.54
Mr Velji Gogri	Sitting Fees	0.96	0.55
Mr Sandeep Gupta	Sitting Fees	0.63	-
Ms Saloni Mehta	Salary	7.05	1.41

Notes Forming Part of Financial Statement

as at March 31, 2024

38 Related Party Transactions (Contd..)

Details of transactions with and balances outstanding of Entities Controlled/Significantly influenced by Directors/ Close Family Members of Directors:

Name of related party	Nature of transaction	March 31, 2024		March 31, 2023	
		Transaction value	Outstanding amount	Transaction value	Outstanding amount
The Trust Valiant Laboratories Limited	Contribution to the Gratuity Funds	14.47	-	1.92	86.43

(₹ In Lakhs)

39 Financial Instruments - Accounting Classification and Fair values

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Category-wise classification for applicable financial assets:

Particulars	Current/ Non-Current	As at 31 st March 2024				As at 31 st March'2023		
		Carrying Amount	Level 1	Fair Value Level 2	Level 3	Carrying Amount	Level 1	Fair Value Level 2 Level 3
Financial Assets								
Financial assets measured at cost								
Investment in Subsidiaries	Non-Current	8,097.33	N.A	N.A	N.A	1.00	N.A	N.A N.A
Financial assets measured at amortised cost								
Security Deposits	Non-Current	264.14	N.A	N.A	N.A	70.23	N.A	N.A N.A
Trade Receivables	Current	4,572.15	N.A	N.A	N.A	8,856.84	N.A	N.A N.A
Cash on hand	Current	3.07	N.A	N.A	N.A	5.54	N.A	N.A N.A
Balance with Banks	Current	219.59	N.A	N.A	N.A	32.08	N.A	N.A N.A
Other Fixed Deposits	Current	9,449.34	N.A	N.A	N.A	8.00	N.A	N.A N.A
Loans to employees	Current	3.04	N.A	N.A	N.A	7.05	N.A	N.A N.A
Other Receivables	Current	-	N.A	N.A	N.A	3,233.30	N.A	N.A N.A
		22,608.66				12,214.04		
Financial assets measured at fair value through other comprehensive income (FVTOCI)								
Investments in Mutual Fund	Current	3,761.17	-	-	-	3,401.86	3,401.86	-
		3,761.17	-	-	-	3,401.86	3,401.86	-
Total Financial Assets		26,369.83	-	-	-	15,615.89	3,401.86	-

(₹ In Lakhs)

Notes Forming Part of Financial Statement

as at March 31, 2024

39 Financial Instruments - Accounting Classification and Fair values (Contd..)

Particulars	Current/ Non-Current	As at 31 st March'2024				As at 31 st March'2023					
		Carrying Amount	Fair Value			Carrying Amount	Fair Value				
			Level 1	Level 2	Level 3		Level 1	Level 2			
Financial Liabilities											
Financial liabilities measured at amortised cost											
Unsecured Loans	Non-Current	5,940.02	N.A	N.A	N.A	5,940.02	N.A	N.A			
Long-term maturities of lease obligations	Non-Current	42.69	N.A	N.A	N.A	64.24	N.A	N.A			
Short term borrowings - Working capital loans from Banks	Current	-	N.A	N.A	N.A	-	N.A	N.A			
Trade Payables											
- Due to Micro, Small and Medium Enterprises	Current	25.07	N.A	N.A	N.A	0.62	N.A	N.A			
- Due to Others	Current	2,451.36	N.A	N.A	N.A	4,729.01	N.A	N.A			
Creditors for Capital Goods	Current	21.56	N.A	N.A	N.A	45.21	N.A	N.A			
Current maturities of finance lease obligations	Current	23.10	N.A	N.A	N.A	17.52	N.A	N.A			
Other Current Liabilities	Current	10.43	N.A	N.A	N.A	91.14	N.A	N.A			
Total Financial Liabilities		8,514.23	-	-	-	10,887.76	-	-			

Fair value hierarchy

Level 1 : Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities etc. included in level 3.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level followed is given in the table above.

Notes Forming Part of Financial Statement

as at March 31, 2024

40 Financial risk management objectives and policies

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's Risk Management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables and financial liabilities comprise mainly of borrowings, trade payables and other payables.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as cross currency swaps and interest rate swaps to hedge foreign currency risk and interest rate risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate due to changes in market interest rates. Company's interest rate risk arises from borrowings.

The following table demonstrates the sensitivity on the Company's profit before tax, to a reasonably possible change in interest rates of variable rate borrowings on that portion of loans and borrowings affected, with all other variables held constant:

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax

Particulars	(₹ In Lakhs)	
	FY 2023-24	FY 2022-23
50 BPS increase would (decrease) the Profit before Tax by	-	-
50 BPS decrease would increase the Profit before Tax by	-	-

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts in several currencies and consequently the Company is exposed to foreign exchange risk through its sales outside India, and purchases from overseas suppliers in various foreign currencies. The company also has borrowings in foreign currency. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are affected as the rupee appreciates / depreciates against these currencies. Foreign currency exchange rate exposure is partly balanced by purchase of raw materials and services in the respective currencies.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets and liabilities are as follows:

Particulars	As at March 2024		As at March 2023	
	Amount in foreign currency - USD	Amount in Rupees- INR	Amount in foreign currency - USD	Amount in Rupees- INR
Liabilities				
United States Dollar (USD)	-	-	-	-
	-	-		-
Assets				
United States Dollar (USD)	-	-	4.75	390.66
	-	-	4.75	390.66

Notes Forming Part of Financial Statement

as at March 31, 2024

40 Financial risk management objectives and policies (Contd..)

Particulars	As at March 2024		As at March 2023	
	Amount in foreign currency - USD	Amount in Rupees- INR	Amount in foreign currency - USD	Amount in Rupees- INR
Net foreign currency denominated monetary liability/(asset) (total)				
United States Dollar (USD)	-	-	4.75	390.66
Foreign exchange derivatives				
USD (Hedged) - Currency swaps against foreign currency borrowings	-	-	-	-
Net foreign currency denominated monetary liability/(asset) (unhedged)				
United States Dollar (USD)	-	-	4.75	390.66

Foreign Currency Risk Sensitivity

The following tables demonstrate foreign currency sensitivity on unhedged exposure (1% increase / decrease in foreign exchange rates will have the following impact on profit before tax).

	FY 2023-24		FY 2022-23	
	+ 100 BPS	- 100 BPS	+ 100 BPS	- 100 BPS
United States Dollar (USD)	-	-	3.91	(3.91)

(iii) Equity Price Risk

The Company's investments in listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all equity investment decisions.

The following table summarises the sensitivity to change in the price of equity securities held by the Company on the Company's Equity and OCI. These changes would not have an effect on profit or loss.

Particulars	Impact on other components of equity (OCI)	Impact on other components of equity (OCI)
	As at	As at
	31 st March 2024	31 st March 2023
5% increase	188.06	170.09
5% decrease	188.06	170.09

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets. The Company ensures that sales of products are made to customers with appropriate creditworthiness. Outstanding customer receivables are regularly monitored by the management. An impairment analysis is performed at each reporting date on an individual basis for major customers. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks.

Refer footnotes (d) and (e) below note no. 10 for ageing of trade receivables and movement in credit loss allowance.

C. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations without incurring unacceptable losses. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed borrowing/facilities. The Company invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk. The company consistently generates sufficient cash flows from operations or from cash and cash equivalents to meet its financial obligations including lease liabilities as and when they fall due.

Notes Forming Part of Financial Statement

as at March 31, 2024

40 Financial risk management objectives and policies (Contd..)

(i) Financing arrangements

(₹ In Lakhs)		
Particulars	March 31, 2024	March 31, 2023
Secured borrowing facilities		
- Amount used	-	-
- Amount unused	5,700.00	5,200.00
Total	5,200.00	5,200.00

(ii) Maturity profile of financial liabilities

(₹ In Lakhs)						
Particulars	March 31, 2024			March 31, 2023		
	Less than 1 year	Between 1 to 5 years	Over 5 years	Less than 1 year	Between 1 to 5 years	Over 5 years
As on 31st March, 2024						
Borrowings	-	5,940.02	-	-	5,940.02	-
Lease Liabilities	-	42.69	-	17.52	64.24	-
Trade Payables	2,476.43	-	-	4,729.63	-	-
Other Financial Liabilities	114.88	-	-	201.84	-	-
	2,591.31	5,982.71	-	4,948.99	6,004.26	-

D. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value, safeguard business continuity and support the growth of the Company. The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

(₹ In Lakhs)		
Particulars	March 31, 2024	March 31, 2023
Borrowings - Current and Non-Current	5,940.02	5,940.02
Long-term maturities of Lease obligations	42.69	64.24
Current maturities of Lease obligations	23.10	17.52
Less: cash and cash equivalent	(222.67)	(37.62)
Less: other balances with banks	(9,449.34)	(8.00)
Less: current investments	(3,761.17)	(3,401.86)
Net Debts	(7,427.36)	2,574.30
Total Equity	23,688.19	10,049.08
% Net debt to equity ratio	(31.35%)	25.62%

Notes Forming Part of Financial Statement

as at March 31, 2024

41 Additional regulatory information required by schedule III to the Companies Act, 2013 (Contd..)

- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (e) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (f) The Company has not traded or invested in crypto currency or virtual currency during the year.

42 Recent Pronouncements

A. Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

- (a) **Changes to contractual cash flows** - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.
- (b) **Hedge accounting** - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The amendments do not have significant impact on the financial statements. The disclosures as required are presented in note no. 40 (A) (i) on "Interest Rate Risk".

B. Amendment to Ind AS 103 "Business Combination" - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103 - Business Combinations. The Company does not expect the amendment to have any significant impact on its financial statements.

C. Amendment to Ind AS 16 "Property, Plant and Equipment" - Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

D. Code on Social Security, 2020 - Employee benefits during employment and post-employment

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes Forming Part of Financial Statement

as at March 31, 2024

43 Ratio Analysis

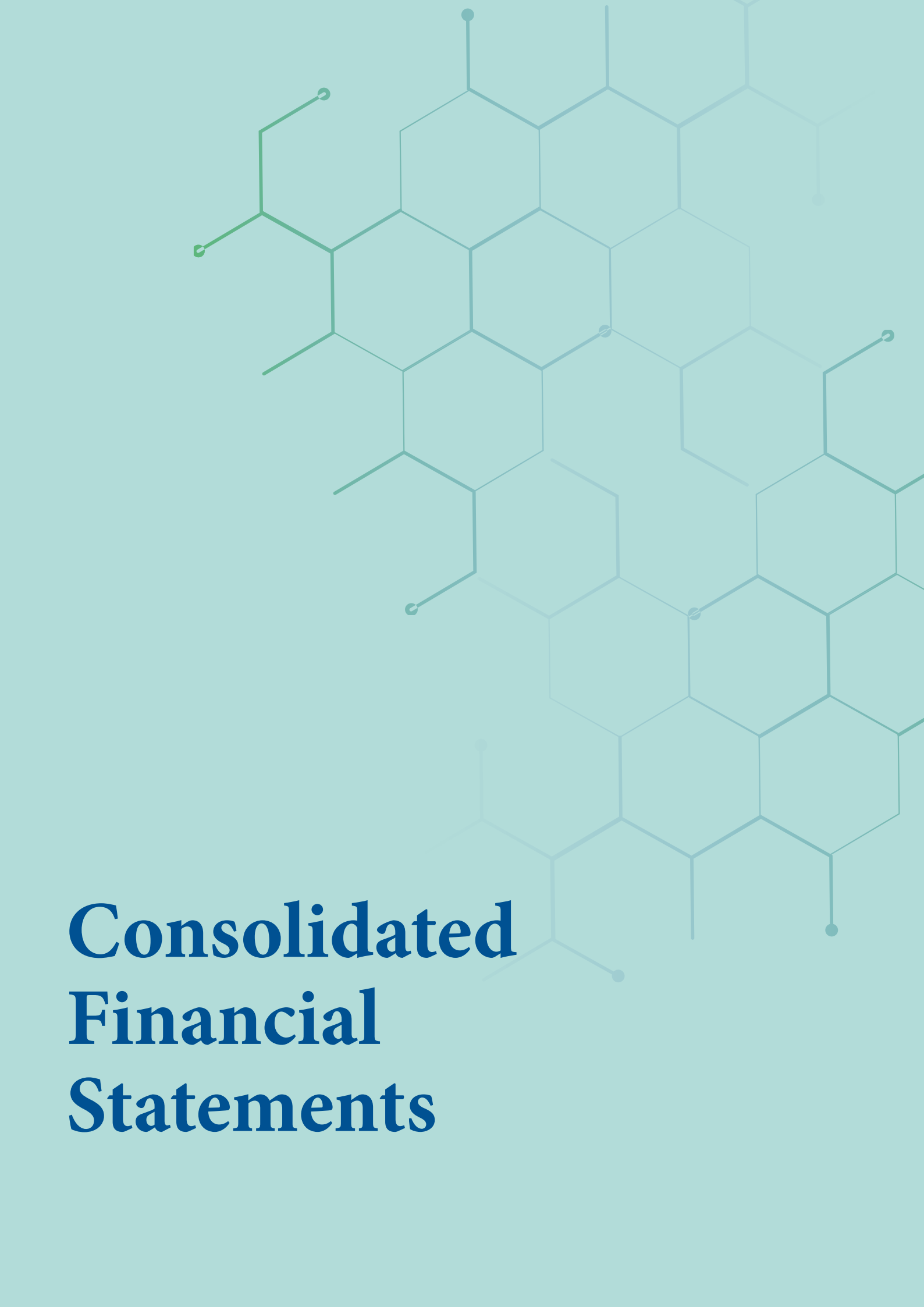
Sr. No.	Ratio	Numerator	Denominator	As at 31 st March 2024	As at 31 st March 2023	% Change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities = Total current liabilities - Current maturities of non-current borrowings and lease obligations	8.01	3.61	121.55%	Current Assets increased more than Current Liability . Current Assets increased on account of Other Balances with Banks.
2	Net Debt-Equity ratio	Net debt = Non-current borrowings + Current borrowings + Non-current and current lease liabilities - Current investments - Cash and cash equivalents - Other balances with banks (including non-current earmarked balances)	Average Equity [Equity = Equity share capital + Other equity]	(0.44)	0.30	-247.05%	Borrowings has remained constant and Equity has increased during the period
3	Debt Service Coverage ratio	Earnings for debt service = Net Profit before tax + Non-cash operating expenses (depreciation and amortisation) + Net finance cost + other adjustments like Loss on sale of property, plant and equipment [Net finance cost = Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments]	Debt service = Interest payable & Lease Payments + Principal Repayments of long term borrowings (excluding prepayments)	0.02	0.67	-96.78%	EBITDA decreased more than the total debt service.
4	Return on Equity ratio	Profit after tax	Average total equity [Equity = Equity share capital + Other equity]	0.20%	33.73%	-99.40%	Profit after Tax is reduced on account of reduction demand & Selling Prices of Product whereas average equity increased as compare to previous year
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	14.59	19.21	-24.02%	While Raw Material Consumption decreased; average inventory increased significantly due to market conditions

Notes Forming Part of Financial Statement

as at March 31, 2024

43 Ratio Analysis (Contd..)

Sr. No.	Ratio	Numerator	Denominator	As at 31 st March 2024	As at 31 st March 2023	% Change	Reason for variance
6	Trade Receivable Turnover ratio	Revenue from Sale of Products and Services	Average Trade Receivable	2.71	3.35	-19.07%	Revenue from operations decreased while average trade receivables increased
7	Trade Payable Turnover ratio	Adjusted Expenses [Adjusted Expenses = Total Expenses - Finance Cost - Depreciation and Amortisation Expense - Employee Benefit Expenses - Other expenses with respect to Rates & Taxes, Provision for Doubtful Debts, Provision for Impairment and Foreign Exchange Gain/Loss]	Average Trade Payables	4.67	6.80	-31.33%	Adjusted expenses remained almost constant while average trade payables increased
8	Net Capital Turnover ratio	Revenue from Operations	Average Working capital = Current assets - Current liabilities	99.53%	279.64%	-64.41%	Revenue from operation has reduced on account of reduction in Selling Price while Working Capital has increase
9	Net Profit ratio	Profit after tax	Revenue from operations	0.19%	8.68%	-97.85%	Revenue from operation has reduced on account of reduction in Selling Price and other related factors
10	Return on Capital Employed	Earnings before interest and tax	Average Capital Employed [Capital Employed = Total Assets - Current Liabilities]	-0.23%	26.06%	-100.87%	Profits decreased due to reduction in the revenue while average capital employed increased.



Consolidated Financial Statements

Independent Auditors' Report

To
The Members of
Valiant Laboratories Limited

Report on the Audit of the Consolidated Financial Statements

Opinion:

We have audited the accompanying Consolidated financial statements of **VALIANT LABORATORIES LIMITED** (the Holding Company and its subsidiaries together referred to as "the Group"), which comprising of the consolidated Balance sheet as at March 31, 2024 the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion:

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

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

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

thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

Auditor's Responsibility for the Audit of the Consolidated Financial Statement:

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates, joint ventures and joint operation to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates, joint ventures and joint operation to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within

the Group and its associates, joint ventures and joint operation of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

for the purpose of preparation of the consolidated financial statements;

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies, joint ventures and joint operation, none of the directors of the Group's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197 (6) of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014, as amended in our opinion and to the best of our information and according to the explanation given to us.
 - i. The Company does not have any pending litigation which would impact its financial position in its financial statements as at 31st March, 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. No dividend has been declared or paid during the year by the company.
 - v. The Management has represented that, to the best of its knowledge and belief, other than disclosed in the notes, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- vi. The Management has represented, that, to the best of its knowledge and belief, other than disclosed in the notes to accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- vii. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- viii. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
 - (

Annexure – A to the Independent Auditors’ Report of Even date on the Financial Statements of Valiant Laboratories Limited

Report on the Internal Financial Controls over financial reporting 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 with reference to financial statements of **Valiant Laboratories Limited** (hereinafter referred to as “the Holding Company”) as of March 31, 2024 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements

was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting with reference to these financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these financial statements

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

Opinion

In our opinion, the Group, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal

financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Raman S. Shah & Co,
Chartered Accountants
Firm's Registration No. 111919W

Sd/-
Raman S. Shah
Proprietor
M. No. 033272
UDIN: 24033272BKCRHN3608

Place: Mumbai.
Date: 14th May 2024

Consolidated Balance Sheet

as at March 31, 2024

		(₹ In Lakhs)	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	4941.67	4729.02
(b) Right to Use assets	5	63.72	82.78
(c) Capital work-in-progress	4	4264.88	68.00
(d) Other Intangible Assets		-	-
(e) Goodwill on consolidation		-	-
(f) Financial Assets		-	-
(i) Other Investments	6A	-	-
(ii) Other Financial Assets	7A	343.95	123.46
(g) Other non-current assets	8A	2100.11	1235.43
Total Non-Current Assets		11714.34	6238.70
Current assets			
(a) Inventories	9	1001.54	1304.23
(b) Financial Assets			
(i) Investments	6B	3761.17	3401.86
(ii) Trade Receivables	10	4572.72	8856.84
(iii) Cash and Cash Equivalents	11	1171.82	126.16
(iv) Bank Balances Other than Cash & Cash Equivalents	12	9449.34	8.00
(v) Loans	13	3.04	7.05
(vi) Other Financial Assets	7B	0.00	72.23
(c) Other Current Assets	8B	2186.76	1091.96
(d) Current Tax Assets (Net)			

Statement of Consolidated Profit and Loss

for the period ended March 31, 2024

(₹ In Lakhs)

Particulars	Notes	For the Period Ended 31-Mar-2024	For the Period Ended 31-Mar-2023
I Revenue from operations	25	18,205.72	33,390.95
II Other income	26	968.15	486.26
III Total Income (I + II)		19,173.87	33877.22
IV Expenses			-
Cost of materials consumed	27	16,939.06	27,727.73
Purchase of stock-in-trade	28	-	28.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(113.63)	(24.14)
Employee benefits expense	30	431.27	461.25
Finance costs	31	7.78	25.37
Depreciation, Amortization and Impairment Expenses	32	196.56	156.31
Other expenses	33	1,789.78	1,688.72
IV Total Expenses		19,250.82	30063.58
V Profit before tax (III - IV)		(76.95)	3813.64
VI Tax expense:			-
Current tax		(98.16)	880.00
Deferred tax charge / (credit)		(10.76)	33.81
Total tax Expense		(108.91)	913.81
VII Profit for the year (V - VI)		31.96	2899.83
VIII Other comprehensive income:			-
(a) Items that will not be reclassified to profit or loss in subsequent year			-

Consolidated Cash Flow Statement

As on March 31, 2024

Particulars	(₹ In Lakhs)	
	As on March 31, 2024	As on March 31, 2023
(A) Cash Flow from Operating Activities		
Net Profit Before Tax	(76.95)	3,813.64
Adjustments		-
Finance Cost	7.78	25.37
Depreciation and Amortization and Impairment Expense	196.56	156.31
Interest Income	0.00	26.07
Operating Profit Before Working Capital Changes	127.39	3,969.25
Adjustments		
Add/(Less):		
(Increase) / Decrease in Trade Receivables	4,284.11	2,220.08
(Increase) / Decrease in Inventories	302.70	276.15
(Increase) / Decrease Loans	4.01	(69.33)
(Increase) / Decrease other Current Assets	(1,289.34)	23.94
Increase / (Decrease) in Financial Assets	(148.26)	-
(Increase) / Decrease other Non Current Assets	(864.68)	(437.24)
Increase / (Decrease) in Trade Payable	(2,136.94)	802.38
Increase / (Decrease) in Lease Liabilities	(15.96)	(10.42)
Increase / (Decrease) in Other Current Liabilities	(85.00)	97.35
Increase / (Decrease) in Financial Liabilities	(87.65)	(387.05)
Cash Generated from Operation	90.38	6,485.11
Direct Taxes Paid	98.16	(880.00)
Net Cash From Operating Activities (A)	188.54	5,605.11
(B) Cash Flow From Investing Activities		
Acquisition of Property, Plant and Equipment and CWIP (net)		

Consolidated Cash Flow Statement

As on March 31, 2024

1. The above statement of Cash Flows should be read in conjunction with the accompanying notes.
2. Previous Year's figures are regrouped / rearranged wherever required.
3. Figures in brackets indicate cash outgo.
4. The above Cash Flow Statement has been prepared under "Indirect Method" set out in Ind AS 7 Statement of Cash Flow.
5. **Cash and Cash Equivalents comprises of:**

Particulars	(₹ In Lakhs)	
	As on March 31, 2024	As on March 31, 2023
a. Cash on Hand	5.72	7.20
b. Balances with Banks	1166.09	118.96
Total	1,171.82	126.16

As per our report of even date attached

For **Raman S Shah & Co**

Chartered Accountants

(Firm Regn No. 111919W)

Mr. Raman Shah

Proprietor

M. No.033272

Place : Mumbai

Date - 14th May 2024

UDIN - 24033272BKCRHN3608

For Valiant Laboratories Limited

Mr. Santosh Shantilal Vora

Managing Director

Consolidated Statement of Changes in Equity

for the year ended on March 31, 2024

A. Equity Share Capital

Current Reporting Period

(₹ In Lakhs)

Particulars	Balance as on April 1, 2023	Restated Balance at the current reporting periods	Changes in equity share capital during the period	Balance as on 31-03-2024
Ordinary Equity Shares	3,256.00	3,256.00	1,089.00	4,345.00
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	-	-	-	-
Share Capital Pending Allotment	-	-	-	-
Total	3,256.00	3,256.00	1,089.00	4,345.00

Previous Reporting Period

(₹ In Lakhs)

Particulars	Balance as on April 1, 2022	Restated Balance at the current reporting periods	Changes in equity share capital during the period	Balance as on 31-03-2023
Ordinary Equity Shares	1,628.00	1,628.00	1,628.00	3,256.00
Optionally Convertible Equity Shares (Instruments entirely equity in nature)	-	-	-	-
Share Capital Pending Allotment	-	-	-	-
Total	1,628.00	1,628.00	1,628.00	3,256.00

B. Other Equity

(₹ In Lakhs)

Particulars	Reserve and surplus		Total other equity
	Securities Premium		

Statement of Significant Accounting Policies and other Related Notes

A Corporate Information

VALIANT LABORATORIES LIMITED ("VLL" or "The Company") is public limited entity incorporated in India. The registered office of the Company is located at 104 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080 INDIA, The Company is engaged in manufacturing and dealing in Pharmaceuticals and specialty chemicals. The Company and its Indian Subsidiaries are to be considered as Group.

The financial statements of the Company for the year ended 31.3.2024 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 14th May, 2024

2 Summary of Basis of compliance basis of preparation, presentation and Critical, Accounting Estimates, Assumptions and Judgements.

2.1 Basis of Compliance

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

B Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (referred to as "IND AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

These Financial statement are prepared under the historical cost convention on an accrual basis except for certain financial instrument, which are measured at fair value, which are disclosed in the financial statement.

The classification of assets and liabilities of the company is done into current and non-current based on the operating cycle of the company. The Operating cycle of the business of the company is less than twelve months and therefore all current and non-current classification are done on the status of reliability and expected settlement of the respective assets and liability within a period of twelve months from the reporting date as required by Schedule III to the companies Act 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or revision to an existing accounting standard required a change

Statement of Significant Accounting Policies and other Related Notes

there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b Defined Benefit Plans (Gratuity Benefits)

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

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operated in India), the management considers the interest rates of government bond in currencies which are consistent with post- employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from the analysis since that they do not represent high quality corporate bonds.

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

c Useful lives of property, plant and equipment

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

d Impairment of property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed

Statement of Significant Accounting Policies and other Related Notes

The company's classifies all other assets as Non-Current

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

II Property, plant and equipment (PPE)

i Property, plant and equipment are stated at cost net of tax /duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. when significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replace part. and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognised in the statement of profit and loss as incurred.

ii Long term lease arrangements of land are treated as property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

iii Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the property, Plant and equipment of the project proportionately on capitalisation.

iv Borrowing cost on property, plant and equipment's are capitalised when the relevant recognition criteria specified in IND AS 23 Borrowing cost is met.

v Decommissioning costs, if any, on property, plant and equipment are estimate at their present value and capitalised as part of such assets.

vi An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal

Statement of Significant Accounting Policies and other Related Notes

inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on FIFO method

ii Work in process:

Work in process are valued at the lower of cost and net realizable value. The cost is computed on weighted average method.

iii Finished Goods and Semi finished goods :-

Finished Goods and Semi finished goods are valued at lower of cost and net realised value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other cost incurred in acquiring the inventory and bringing them to their present location and condition. Taxes is considered as cost for finished goods, whenever applicable.

iv Stores and Spares:

Stores and spare parts are valued at lower of purchase Costs are determined on Weighted Average method and net realisable value.

v Traded Goods:

Traded Goods are valued at lower of purchase cost and net realisable value.

VI Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposit with banks, which are short term, highly liquid investment, that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

VII Equity investment

All equity investment in scope of INDAS 109 are

Statement of Significant Accounting Policies and other Related Notes

value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: -

In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair measurement of a non financial assets takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :-

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly and indirectly observable.

Statement of Significant Accounting Policies and other Related Notes

customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established. This is applicable in case of Job Work services given by the Company to the Customers.

The Company disaggregates revenue from sale of goods or rendering of services with customers by product classification, geographical region and customer category.

Use of significant judgements in revenue recognition

The company assesses the service promised in a contract and identifies distinct performance obligation in the contract. Identification of distinct preformation obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, price concessions. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financial component.

The company used judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct service promised in the contract.

ii Other Operating Income / Other Income

- Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.

Statement of Significant Accounting Policies and other Related Notes

tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will the deferred tax assets to be recovered.

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

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

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws. For items recognised in OCI or equity, deferred/ Current

Statement of Significant Accounting Policies and other Related Notes

XV Research and Development :

Revenue expenditure on Research and Development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to property, plant and equipment/intangible assets.

XVI Dividend Distribution :

Dividend distribution to the company's equity holders is recognized as a liability in the company's annual accounts in the year in which the dividends are approved by the company's equity holders.

XVII Trade Payables & Trade Receivables

A Payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due to account of goods sold or services rendered in the normal course of business.

XVIII Government Grants :

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

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the statement

Notes Forming Part of Financial Statement

as at March 31, 2024

4 Property, Plant and Equipment (PPE)

Particulars	Land	Factory Building	Plant & Machinery	Electrical Installation	Furniture & Fixture	Vehicle	Computer	Office Equipment	Total	Capital Work in Progress (CWIP)
(₹ In Lakhs)										
March 31, 2022 Gross carrying amount										
Opening gross carrying amount as at April 1, 2022	449.88	1144.98	2024.50	20.66	8.76	149.22	10.46	8.14	3816.59	144.45
Addition during the year	1814.93	55.88	793.90	14.53	5.22	0.00	2.87	3.89	2691.21	

Notes Forming Part of Financial Statement

as at March 31, 2024

4 Property, Plant and Equipment (PPE) (Contd..)

	(₹ In Lakhs)			
Particulars-Intangible asset under development	< 1 Year	1-2 Years	2-3 Years	> 3 Years
Projects in Progress	8.29			
Projects temporarily suspended				
Total				8.29

5 Right-of-Use Assets

Particulars	(₹ In Lakhs)
Right-of-Use Asset Building	
Gross carrying amount	-

Notes Forming Part of Financial Statement

as at March 31, 2024

7 Other Financial Assets

7A Non-current (at amortised cost)

(₹ In Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit		
Unsecured, Considered Good :	343.95	123.46
Total	343.95	123.46

7B Current (at amortised cost)

(₹ In Lakhs)		
Particulars	As at March	

Notes Forming Part of Financial Statement

as at March 31, 2024

10 Trade Receivables (current) (at amortised cost)

Particulars	(₹ In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
TRADE RECEIVABLES		
Unsecured,		
Debts outstanding for more than six months from the date they are due for payment		
Considered Good		7.32
Considered Doubtful	24.41	24.41
		31.73
Less : Provision For		

