एचएलएल लाइफ़केयर लिमिटेड
(भारत सरकार का उद्यम)

HLL Lifecare Limited
(A Government of India Enterprise)

Touching Millions of Lives
Beyond Boundaries

वार्षिक प्रतिवेदन
57th ANNUAL REPORT
2022 - 2023

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Hon’ble Union Minister of State for Health & Family Welfare and Tribal Affairs

प्रो. एस. पी. सिंह बघेल

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माननीय केंद्रीय स्वास्थ्य एवं परिवार कल्याण राज्य मंत्री
Hon’ble Union Minister of State for Health & Family Welfare

श्री सुधांश पंत आई.ए.एस

Shri. Sudansh Pant IAS

सचिव, स्वास्थ्य एवं परिवार कल्याण मंत्रालय, भारत सरकार

Secretary, Ministry of Health & Family Welfare, Government of India

Board of Directors
निदेशक मंडल

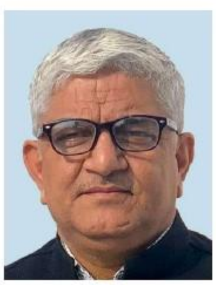
श्री जयदीप कुमार मिश्रा आई सी ए एस
Shri Jaideep Kumar Mishra ICAS
अपर सचिव & एफ.ए,
स्वास्थ्य एवं परिवार कल्याण
मंत्रालय, भारत सरकार
Additional Secretary &
F.A, Ministry of Health &
Family Welfare,Government of India

श्री के.बेजी जोर्ज आई आर टी एस
Shri. K. Beji George IRTS
अध्यक्ष एवं प्रबंध निदेशक
Chairman & Managing Director

श्रीमती रोली सिंह आई ए एस
Smt. Roli Singh IAS
अपर सचिव स्वास्थ्य
एवं परिवार कल्याण मंत्रालय
भारत सरकार
Additional Secretary
Ministry of Health and
Family Welfare, Govt.of India

डॉ. गीता शर्मा
Dr. Geeta Sharma
निदेशक (वित्त)
Director (Finance)

डॉ. अनिता तंपी
Dr.Anitha Thampi
निदेशक (तकनिकी एवं संचालन)
Director (Technical & Operations)



प्रो. (डॉ.) आदर्श पाल विज
Prof. (Dr.) Adarsh Pal Vig
स्वतंत्र निदेशक
Independent Director

श्रीमती नीता बूचरा
Smt Neeta Boochra
स्वतंत्र निदेशक
Independent Director

VISION, MISSION & OBJECTIVES

VISION

To be a globally respected organisation, focusing on inclusiveness by providing affordable and quality healthcare solutions through continuous innovation.

MISSION

To accomplish the Corporate Vision, HLL Lifecare Ltd has outlined following Mission which focus on six key areas:

- Provide quality products and services meeting international standards.
- Excellence through continual improvement by adoption of best technologies and practices.
- Customer delight and value creation through innovation, R & D, cost management and customer care.
- Focusing on human resource development to meet the needs of challenging business environment.
- Be a socially committed corporate by maintaining highest standards of corporate governance and corporate social responsibility.
- Committed to the well-being of mother earth and future generations through green initiatives and promotion of sustainable development.

OBJECTIVES

The company will strive to fulfill its vision/mission by

- Attaining rapid growth and global levels of operations with high quality cost competitiveness and be among the top three players in each main product category.
- Create a culture of continuous innovation through R& D initiatives.
- Strive to be the employer of choice in India with employee satisfaction levels of over 90%.
- Be recognized as the leading social organization in the field of Reproductive and Women's Healthcare with commitment to the society - a partner of choice for implementing all government and multi-lateral initiatives in these segments.
- Focussing on capacity building, skill development and infrastructural development for the benefit of the marginalized and under privileged sections for their empowerment and inclusion in the economic mainstream.
- To place emphasis on environmental friendly activities that brings out conservation of resources and waste management leading to top sustainable development.

Quality Policy

HLL Lifecare Limited is committed to:

- Consistently provide our customers with affordable Healthcare solutions of the highest possible level of quality.
- Continually improve our processes, products and services, adopt best technologies and practices and meet national / international regulatory requirements at all times.
- Focus on innovation, R&D, cost management and deliver customer value nationally and globally, conforming to the needs of our customers.
- Be an organization that meets highest standards in Corporate Governance and Corporate Social responsibility.

SHE Policy

HLL Lifecare Limited is committed to protect environment, eliminate occupational hazards and maintain a healthy and safe work place by

- Preventing any adverse impact to the environment and complying with applicable legal and other requirements.
- Adopting safe operating practices, with employee training and their involvement.
- Improving the environmental quality by minimizing waste & emission, reusing & recycling, reducing the use of natural resources.
- Striving for a global and consistent approach that builds on local management system & best practices and to achieve sustainable performance.
- Periodic review of safety, health and environment management system.

Lab Quality Policy

- Ensure reliable, consistent, impartial and traceable test results by using test methods complying with national / international standards and by following good professional practices.
- Ensure that all personnel involved in the testing operations are competent and familiar with the policies and procedures of the management system conforming to ISO/IEC 17025: 2017 and implement the same in their work.
- Continually improve the effectiveness of the management system.

Energy Policy

HLL Lifecare Limited is committed to buying and using energy in the most cost effective, efficient and environmentally responsible way through:

- Regularly reviewing the energy efficiency performance and adopt relevant improvement;
- Using energy efficiency as one of the key criteria within procurement process and encourage usage of renewable energy source;
- Compliance of applicable legal and other requirements related to energy use, consumption & efficiency;
- Ensuring promotion of awareness about the need for diligent consumption and conservation of energy among the employees and other stakeholders.

CHAIRMAN'S SPEECH

Dear Members,

It is my great pleasure to welcome you all to the 57th Annual General Meeting of HLL Lifecare Ltd. being held today. I thank you all for your continued trust, encouragement and support provided to the Company and its management. The 57th Annual General Meeting of the Company is convened through virtual mode in compliance with the guidelines issued by the Ministry of Corporate Affairs.

I am happy to share with you the performance highlights and achievements of your Company during the financial year 2022-23.

The major achievements of HLL during year 2022-23 includes matters such as:

- Revenue from operations for the year 2022-23 was Rs.3708.01 Cr, as against the total revenue of Rs 35712.36 Crores. The revenue of the year has reduced by 90% mainly due to COVID vaccine revenue in the previous year. However, the Revenue from Normal Operations is Rs.2,223.00 Cr as against Rs.1764.25 Cr in 2021-22 recording an increase of 26 % year on year.
- Profit Before Tax is Rs.69.19 Cr in 2022-23 compared to a profit of Rs. 547.97 cr in 2021-22. The dip in profit is mainly due to higher profits from Covid operations during the previous year. Though the PBT for 2022-23 includes a small portion of COVID operations profits but the PBT, (Before the provisions and write-offs) from the current year operations has increased substantially from a loss of Rs 109.35 crore to a profit of Rs 45.11 crore, registering a growth of 141%.
- Profit After Tax is Rs. 39.77 Cr in 2022-23 as compared to a profit of Rs. 404.38 Cr in 2021-22.
- Net Worth of HLL stands at Rs 658.84 crore as on 31.03.2023, as compared to Rs 747.42 crore as at 31.03.2022. The reduction in net worth is primarily due to the payout of dividend for Rs 122.47 during 2022-23.
- The Company proposes to pay Dividend of Rs. 11.93 crores for the financial year ended 31st March, 2023.

To conclude, on behalf of the Board of Directors, I would like to convey my sincere thanks and acknowledgment for the co-operation and support extended by various departments of Government of India, particularly by the Ministry of Health & Family Welfare. I take this opportunity to specially thank Honorable Health Minister (MoHFW), Minister of State for Health, Secretary (MoHFW) and the Senior officials of MoHFW for reposing the Ministry's confidence in HLL.

I would also like to thank my colleagues on the Board for their valuable contribution in driving performance of the Company. Further, I thank all employees of HLL for their invaluable contribution and support in strengthening the Company.

On behalf of your Company's Board, I would like to extend my deep appreciation to the banks, financial institutions, stakeholders and business associates. Their support has been invaluable in driving your Company's growth.

During the year 2022-23, your Company had substantially complied with Corporate Governance Guidelines issued by Department of Public Enterprises.

Finally, I thank all present here for having attended today's Annual General Meeting. I now move the Agenda items as per notice for your consideration and approval.

K. Beji George IRTS

Date : 12. 12. 2023

Chairman & Managing Director

DIN: 08419099

No. HLL/CS/III-152(h)/2023 07/ 12 / 2023

NOTICE

NOTICE is hereby given that the 57th Annual General Meeting of the shareholders of HLL Lifecare Limited will be held on 12th December 2023 at 3.00 pm. through Video Conferencing ("VC")/ Other Audio Visual Means ("OVAM") to transact the following business: -

ORDINARY BUSINESS:

1. **To consider and adopt**

   a. the audited Standalone Financial Statements of the Company for the year ended 31st March 2023 along with the Report of the Directors and Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

   b. the audited Consolidated Financial Statements of the Company for the year ended 31st March 2023 along with the Report of the Statutory Auditors together with comments of the Comptroller & Auditor General of India (C&AG) thereon.

2. To declare dividend amounting to INR 11.93 Cr. being 30% of Profit After Tax for the financial year ended 31st March, 2023

3. To authorize the Board of Directors to fix remuneration payable to the Statutory Auditors of the Company for the year 2023-24.

   To consider and, if thought fit, to pass the following resolution, with or without modification as an ordinary resolution:

"RESOLVED THAT pursuant to the requirement of Section 142(1) of the Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to the Statutory Auditors appointed by the Comptroller and Auditor General of India for the year 2023-24".

SPECIAL BUSINESS:

Ratification of Cost Auditor's remuneration for the financial year 2023- 24

4. To consider and, if thought fit, to pass the following resolution, with or without modification as an ordinary resolution:

   "RESOLVED THAT pursuant to Section 148(3) of Companies Act, 2013, and rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014, and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, the Company hereby ratifies remuneration of of INR 5,00,000/- plus applicable GST besides reimbursement of actual travelling and out of pocket expenses to M/s Vijender Sharma & Co, Cost Accountants, with Firm Registration No. 000180, who were appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March 2024."

By the order of the Board

Jaikrishnan A R

Place: Thiruvananthapuram

Company Secretary

Notes:

1. Ministry of Corporate Affairs (hereinafter referred to as "MCA") has vide its General Circular No. 20/2020 dated 05th May, 2020 read together with General Circular Nos. 14/2020 & 17/2020 dated 08th April, 2020, 13th April, 2020, 13th January, 2021, 05/05/2022 & 25/09/2023 respectively (hereinafter collectively referred to as "MCA Circulars"), permitted the holding of Annual General Meeting through VC/OAVM. Accordingly, in accordance with the MCA Circulars and provisions of Companies Act 2013, the AGM of the Company is being held through VC/OAVM. This AGM shall be deemed to be held at the Registered Office of the Company.
2. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the Members can join the AGM through VC/OAVM facility arranged by the Company. All care has been taken by the Company to ensure that the video conference facility arranged by the Company allows two-way teleconferencing for the easy participation of all the Members. The Members are allowed to ask questions concurrently or shall submit the questions in advance at the email address of the Company Secretary.
3. The facility for joining the meeting will be kept open for 15 minutes before the scheduled time to start the meeting and will be closed only after the expiry of 15 minutes after such scheduled time.
4. As per the aforementioned MCA Circulars, the requirement of quorum for a general meeting in pursuance of 103 of Companies Act, 2013 has been extended for general meeting held through VC/OAVM also. Therefore, the Members attending AGM through video conference will be counted for the quorum of the meeting.
5. With regard to the manner of appointment of Chairman for the meeting, the relevant MCA circulars stipulates that either it shall be based on the provisions of Articles of Association of the Company or in the manner as provided in the Circular. As per the Articles of Association of your Company, the Chairman of the Board shall preside as Chairman at every general meeting of the Company. Accordingly, the Chairman of the Board will be the Chairman for this AGM.
6. Generally, pursuant to the provisions of the Section 105 of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of members is dispensed with and consequently the facility for appointment of proxies is not applicable for this AGM.
7. The Statutory auditor or his authorized representative will attend the AGM through VC/OAVM facility provided by the Company.
8. As the total number of members in your Company falls below 50, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member. If a poll is required to be taken during the meeting on any resolution, the members may convey their vote at the Email i.d of the Company Secretary at jaikrishnanar@lifecarehll.com
9. In line with the MCA Circulars, AGM Notice, financial statements and other documents are being sent through electronic mode to the e - mail addresses of the shareholders.
10. In pursuance of section 112 and section 113 of the Companies Act, 2013 representatives of the Members shall be appointed for the purpose of participation and voting in the meeting through video conference.
11. A copy of the notice shall also be posted on the website of the company.
12. For any assistance, a member may contact the Company Secretary during business hours. Upon request of members, the inspection of statutory register/related documents can be made available through electronic mode

13. Pursuant to Section 139 (5) of the Companies Act, 2013, the Statutory Auditors of a Government Company are appointed by the Comptroller and Auditor General of India (C&AG). In terms of Section 142(1) of the Companies Act, 2013 the remuneration of auditors has to be fixed by the company in the Annual General Meeting or in such manner as the company in annual general meeting may determine. C&AG has vide letter No.CA.V/COY/CENTRAL GOVERNMENT, HLATEX(1)/338 dated 13/09/2023 appointed M/s. Sridhar & Co., Chartered Accountants, Sreenidhi, TC.37/275, Padmatheertham, North Street, Trivandrum, Kerala as Statutory Auditors of the Company for the year 2023-24. Accordingly, necessary resolution has been placed before the Members for authorising the Board of directors to fix up the remuneration to the Statutory Auditors of the Company for the financial year 2023-24.

14. Explanatory Statement pursuant to Section 102 of the Companies, Act, 2013 with Companies (Management and Administration) Rules 2014, setting out the material facts in respect of Special Business is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013, the Explanatory Statement setting out material facts and reasons for the proposed Special Business is given below.

Item No: 4 Ratification of Cost Auditor's remuneration for the financial year 2023-2024

The Company is directed, under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of Directors of your Company in its 286th Board meeting held on 28th September 2022 has approved the appointment and remuneration of M/s Vijender Sharma & Co, 11, (3rd Floor) Hargovind Enclave, Vikas Marg, Delhi-110 092 with Firm Registration No.000180 as Cost Auditors for the financial year ending March 31, 2024. In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing ordinary resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

The Board recommends the aforesaid resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the aforesaid ordinary resolution.

To

1. **All Shareholders**
2. **All Directors**
3. **The Statutory Auditors**
4. **The Secretarial Auditors**

DIRECTORS REPORT 2022-23

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2023 is summarized below:

(Rs. In Crs)

Financial Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	3,708.01	35,712.36	4,115.60	36,083.61
Other Income	79.77	26.62	70.84	16.38
Total Income	3,787.78	35,738.98	4,186.44	36,099.99
Profit/(Loss) before Tax	69.19	547.96	86.98	558.37
Tax Expenses	29.42	143.59	36.78	155.61
Profit/(Loss) after Tax	39.77	404.37	50.20	402.77

The major highlights of the Company's performance is given below

- Revenue from operations for the year 2022-23 was Rs.3708.01 Cr, as against the total revenue of Rs 35712.36 Crores. The revenue of the year has reduced by 90% mainly due to COVID vaccine revenue in the previous year. However, the Revenue from Normal Operations is Rs.2,223.00 Cr as against Rs.1764.25 Cr in 2021-22 recording an increase of 26 % year on year.
- Profit Before Tax is Rs.69.19 Cr in 2022-23 compared to a profit of Rs. 547.97 cr in 2021-22. The dip in profit is mainly due to higher profits from Covid operations during the previous year. Though the PBT for 2022-23 includes a small portion of covid operations profits but the PBT, (Before the provisions and write-offs) from current year operations has increased substantially from a loss of Rs 109.35 crore to a profit of Rs 45.11 crore, registering a growth of 141%.
- Profit After Tax is Rs. 39.77 Cr in 2022-23 as compared to a profit of Rs. 404.38 Cr in 2021-22.
- Net Worth of HLL stands at Rs 658.84 crore as on 31.03.2023, as compared to Rs 747.42 crore as at 31.03.2022. The reduction in net worth is primarily due to the payout of dividend for Rs 122.47 during 2022-23.

2. DIVIDEND

The Directors are pleased to recommend a dividend of amounting to Rs.11.93 crores for the financial year ended 31st March, 2023. Payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

3. SHARE CAPITAL

The Authorized Share capital of the Company as on 31st March, 2023 stood at Rs. 300.00 Cr. as the same of previous year. The issued, subscribed and paid up equity share capital as on 31st March, 2023 was Rs.15.53 Cr.

4. PERFORMANCE OF THE COMPANY vis-à-vis MoU TARGETS

Department of Public Enterprises (DPE) vide DPE OM No. M-03/0021/2022-DPE(MoU) dated 17.01.2023 exempted HLL

Lifecare Limited from signing of the MoU for the year 2022-23. Hence the performance of the Company vis-à-vis MoU Targets for FY 2022-23 is not required to be disclosed in the Annual Report for Financial Year 2022-23.

5. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Department of Public Enterprises (DPE) had issued guidelines dated 29th October 2015 for streamlining the mechanism for revival and restructuring of sick/incipient and weak CPSEs. These guidelines replace the multiple process options available for revival and restructuring of sick / incipient and weak CPSEs. The DPE guidelines for "Streamlining the mechanism for revival and restructuring of sick/incipient sick and weak Central Public Sector Enterprises" lays down the following criteria to consider a CPSE as sick:--

a. The company is declared as sick as per the provisions of Companies Act, 2013 (with the introduction of Insolvency and Bankruptcy Code, 2016, this has become irrelevant)

b. The net worth of the Company is negative.

As per the Financial Statements of Goa Antibiotics & Pharmaceuticals Ltd. [GAPL] (subsidiary of HLL Lifecare Ltd.) for the year ended 31st March 2021, the company's net worth was negative and as per DPE guidelines, GAPL became a sick company. In 191st Board Meeting of GAPL held on 9th May 2022 revised Revival Plan proposal of GAPL was presented and discussed in detail in the meeting. As per the revival plan, GAPL required an amount of Rs.14.31 Cr. (Rs.2.31 for capex requirements and Rs.12 Cr. as Working Capital) for its revival. GAPL Board in-principle agreed to the proposal to revive GAPL including plan to raise additional equity of Rs.14.31 Cr. jointly from HLL Lifecare Ltd and EDC Ltd, envisaging HLL's share of Rs. 10.59 Cr. (74 %) and EDC's share of Rs. 3.72 Cr. (26 %), subject to the condition that certain specified additional details shall be included in the revival plan and shared with the Board-members of GAPL soon. Accordingly, GAPL requested HLL Lifecare Limited and EDC Limited to contribute further amount towards equity capital of GAPL.

In the 283rd Board Meeting held on 24th May 2022, the Board of Directors of HLL had approved the proposal to contribute Rs.10.59 Cr. as its contribution towards equity capital of GAPL subject to the condition that the balance amount of Rs.3.72 Cr. has to be contributed by EDC Limited. In response, to the request for additional equity share capital submitted by GAPL, EDC has vide its letter dated 15th July 2022 informed GAPL that EDC Board in its 389th Board Meeting held on 30th June 2022 has decided that no further Equity infusion to be made in GAPL. However, HLL could invest additional equity in GAPL as decided and increase its stake in GAPL so as to support the revival scheme of GAPL. The 284th Meeting of Board of Directors of HLL Lifecare Limited held on 26th July 2022 decided to make additional investment aggregating to Rs.14.31 Cr. in the equity share capital of GAPL in stages mentioned below.

- Stage 1 - Pending increase of Authorised Capital by GAPL and amendment of Terms and Conditions of Shareholders and Share Purchase Agreement GAPL, HLL may make additional equity investment in GAPL to the extent of Rs.4.42 Cr. being 74% of available free authorized share capital of Rs.5.98 Cr. of the said Company.

- Stage 2 – HLL may make additional equity investment in GAPL to the extent of Rs. 1.56 Cr. being 26 % of remaining free authorized share capital of Rs.5.98 Cr. up on GAPL amending Terms and Conditions of Shareholders and Share Purchase Agreement GAPL to facilitate such additional investment.

- Stage 3 - HLL may make additional equity investment in GAPL to the extent of remaining Rs. 8.33 Cr. (i.e. Rs. 14.31 Cr. minus Rs. 5.98 Cr.) after GAPL increases its authorized share capital to Rs. 34.00 Cr. or to any other lower but sufficient amount.

HLL remitted Rs.4.43 Cr. as advance to GAPL on 22 nd November 2022 towards Stage 1 investment in equity share capital. The Inter Ministerial Group (IMG) meeting of Department of Investment and Public Asset Management held on 13/03/2023 agreed the proposal of investment of Rs.14.31 Cr by HLL to GAPL. In view of the approval granted in the IMG meeting, on 15-05-2023, HLL remitted to GAPL share application money of Rs.1,55,48,000 (Rupees One Crore Fifty Five Lakhs Forty Eight Thousand Only) being the consideration for 1,55,480 equity shares of Rs.100 each to be allotted to HLL.

7. RELATED PARTY TRANSACTIONS

All the Related Party Transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There were no materially significant transactions with Related Parties during the financial year 2022-2023 which were in conflict with the interest of the Company. Suitable disclosures as required under INDAS-24 have been made in Note No.35 of the Notes to the Financial Statements.

Particulars of contract/arrangements/transactions made with related parties, pursuant to Section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as Annexure I which forms part of this report.

8. SUBSIDIARIES AND JOINT VENTURE

As on date, your Company has three subsidiary companies and one joint venture Company. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of subsidiaries and joint venture companies in Form AOC- 1 is attached to the financial statements. The summary of performance of the two subsidiaries and joint venture companies is provided below:

8. 1 Goa Antibiotics & Pharmaceuticals Limited [GAPL]

The authorized share capital and paid up equity share capital of GAPL as on 31st March 2023 was Rs.25.00 Cr and Rs.19.02 Cr respectively.

During the year under review, the Revenue from operations during 2022-23 has decreased by 26.95% as compared with the previous year.

8.1. 1 Achievements/Highlights for FY 2022-23

Govt. of Goa has reinstated the Price & Purchase Preference Policy extended to GAPL. GAPL has received orders worth Rs.6.78 Crores (exclusive of GST) from Directorate of Health Services, Goa in the Financial year 2022-23.

Further GAPL has received and executed Homeopathic Ordersworth Rs.35.92 Crores (excluding tax) in the FY 2022-23.

8.2 HLL Infra Tech Services Limited [HITES]

HITES was incorporated on 3rd April' 2014 as a wholly owned subsidiary of HLL Lifecare Limited to carry on the business of providing services viz., Infrastructure Development, Facilities Management, Procurement Consultancy and allied services, foreseeing the enormous scope of business in these segments. The authorized and paid up equity share capital of HITES as on 31st March 2023 is Rs.200.00 lakh each.

8.2.1 Performance Highlights

* Revenue from Operations for the FY 2022-23 was Rs.359.15 Cr as against Rs.303.05 Cr in 2021-22, recording an increase of 18.51% year on year.

* Profit before Tax is Rs.33.60 Cr in 2022-23 compared to corresponding profit of Rs.25.45 Cr in 2021-22 reflecting an increase of 32.02% year on year.

* Profit after tax is Rs.25 Cr in 2022-23 compared to corresponding profit of Rs.17.60 Cr in 2021-22.

* Networth has increased from Rs.30.70 Cr as at 31/03/2022 to Rs.42.54 Cr as at 31/03/2023.

8.2.2 Achievements during 2022-23

Development of Healthcare sector played a key role in building the nation and indeed emerged as one of the leading sector of the economy during COVID-19 Pandemic. HITES utilized the opportunities and shown impressive progress. Some of the main contracts received by your Company and during 2022-23 are as listed below: -

1. PSA (Procurement and Support Agent) for AIIMS Rajkot/Deoghar/Bibinagar (tri- partite agreement between AIIMS, MoHFW and HITES) of Rs. 300 Cr.
2. PSA (Procurement and Support Agent) for Dept. Medical Education, U. P of Rs. 250 Cr.
3. PMC (Project Management Consultant) for AIIMS Patna Residential and academic block of Rs. 277 Cr.
4. PMC(Project Management Consultant) for AIIMS Gorakhpur Residential and Nursing College of Rs. 226 Cr.
5. PSA (Procurement and Support Agent) for PMSSY 2 Colleges (IGIMS Patna+ IMS BHU) of Rs. 120 Cr.
6. Design Consultancy for Kerala State IT Infrastructure Ltd., Trivandrum, (Kerala) of Rs. 150 Cr.
7. PMC (Project Management Consultant) for CBRN Chennai (Tertiary Care Centre) of Rs. 115 Cr.
8. PSA (Procurement and Support Agent) for All India Institute of Ayurveda, Delhi of Rs. 100 Cr.
9. PSA (Procurement and Support Agent) for Procurement of PSA AIIMS Guwahati of Rs. 100 Cr.
10. Construction of Isolation Ward at MC, Kozhikode, Kerala of Rs. 33.59 Cr.
11. Construction of Isolation Ward at MC, TVM, Kerala of Rs. 33.59 Cr.
12. PMC(Project Management Consultant) for Malabar Cancer Centre, Kannur, Kerala of Rs. 100 Cr.
13. PSA (Procurement and Support Agent) for VMMC Safdarjung Hospital, New Delhi of Rs. 65 Cr.
14. PSA (Procurement and Support Agent) for LHMC & Associate Hospitals, New Delhi of Rs. 65 Cr.
15. PSA (Procurement and Support Agent) for National Institute of Ayurveda, Jaipur of Rs. 50 Cr.
16. PSA (Procurement and Support Agent) for DHS Lakshadweep of Rs. 10 Cr.
17. PSA (Procurement and Support Agent) for RML Hospital Delhi of Rs. 50 Cr.
18. PSA (Procurement and Support Agent) for All India Institute of Ayurveda, Goa of Rs. 40 Cr.
19. PMC (Project Management Consultant) for Indian Bank , Chennai of Rs. 44 Cr.
20. PMC(Project Management Consultant) for BSL-III facility & BSL-II labs at Institute of Advanced Virology, Thonnakkal, Trivandrum, Kerala of Rs. 10 Cr.
21. Design work for Multi-disciplinary Veterinary Hospital, Trivandrum, Kerala of Rs. 10 Cr.
22. PMC (Project Management Consultant) for AIIMS Bilaspur (MO Tank + MGPS) of Rs. 6 Cr.
23. DPR consultancy for Digital Science Park, KSITL, Kerala of Rs. 2.5 Cr.
24. Design, Concept planning for transit Oriented Development, West Coast Canal Govt. of Kerala of Rs. 100 Cr.

8.3 HLL Mother & Child Care Hospitals Limited [HMCCHL]

The authorized and paid up equity share capital of HMCCHL as on 31st March 2023 was Rs.10.00 lakh each.

In December 2016, Director General (Medical & Health Services), Government of Uttar Pradesh [GoUP] had issued a tender notification inviting proposals for Operationalization of 100 bedded Mother & Child Hospital (MCH) wings at 20 district hospitals in Uttar Pradesh (the project). The project has to be executed on EFOMT (Equip, Finance, Operate, Maintain and Transfer) basis, wherein the successful bidder has to finance, equip and operate the MCH wings of District hospitals for a period of 10 years. The tender notification inter alia has stipulated that the successful bidder has to register a Special Purpose Vehicle [SPV] under the Companies Act, 2013 to implement the project. HLL was selected as the successful and L1 bidder and issued Letter of Award to HLL Lifecare Ltd. [HLL] on 27th March 2017 for Operationalization of 20 MCHWs on EFOMT basis. HLL had registered the SPV HLL Mother and Child Care Hospitals Ltd [HMCCHL] on 1st August 2017.

The company was formed as a SPV to implement the Mother & Child Care Hospitals project and could not serve the objective for which the SPV was set up. Considering the fact that maintaining a shell company will necessitate incurring administrative cost and legal compliance cost among other incidental costs, the Board of Directors of HMCCHL in the 12th Board meeting held on 23rd July, 2021 decided to remove the name of HMCCHL from the records of the Registrar of Companies [ROC] in accordance with the provisions of Section 248 of the Companies Act, 2013. Additionally, HLL Board of Directors in their 280th Board meeting held on 27th July, 2021 approved the proposal to submit the application for removing the name of HMCCHL from the records of ROC.

Section 248(2) of companies act deals with voluntary removal of name from the Register of Companies. As per section 248(1) of Companies Act 2013, where a company is not carrying on any business or operation for a period of two immediately preceding financial years and has not made any application within such period for obtaining the status of a dormant company then the company may after extinguishing all its liabilities obtain approval from shareholders by way of special resolution voluntarily there by filing application with the Registrar of Companies in form STK-2 for strike off.

During the Financial Year 2021-22 & 2022-23, HMCCL has not prepared Financial Statements as the company had extinguished assets and liabilities and prepared "Nil" Balance sheet for the Financial Year 2020-21. Application in Form STK-2 for strike off of HMCCL from Register of Companies was filed on 04/08/2023 vide SRN No. AA3820649.

8.4 LifeSpring Hospitals (P) Limited [LSH]

The authorised and paid-up equity share capital of LifeSpring Hospitals as on 31 March 2023 was ₹ 20 crore and ₹ 19.02 crore respectively. During FY 2022-23 Lifespring Hospitals Private Limited recorded a Turnover of Rs.2563.30 lakhs and Profit After Tax of Rs.31.50 lakhs.

Lifespring Hospitals was able to maintain the number of deliveries despite 6% increase in the deliveries in public facilities in Telangana. Your company had posted a good growth in terms of services through which pregnancy can come to an end; as also in the volume of other services offered. A snapshot of the volumes achieved during current year (as compared to the last two years) is presented below:

Year	Unique Women served	Consultations offered	Diagnostic tests done	Ultrasound scans done	Admissions handled	Deliveries done	Pregnancy end services
2020-21	21,000	67,788	49,004	10,444	3,674	2,779	3,081
2021-22	27,000	1,07,209	77,575	18,429	7,114	5,178	6,007
2022-23	33,128	1,16,745	83,189	19,589	7,841	5,056	6,318

8.4.1 Broad changes in market size

The following factors contributed to broad changes in market size for maternity services in Hyderabad:

Pregnant women moved out of urban areas to the rural areas – probably as other women members of the family do not want to come to the urban areas & support the pregnant woman.

Births of third and higher order are increasing in Telangana – more so in Hyderabad and Ranga Reddy districts where LifeSpring Hospitals are situated.

Share of government hospitals in total deliveries is increasing – probably as the economy is yet to restore and as the Government of Telangana has once again started providing the cash incentives for those delivering in government hospitals.

Abortions and miscarriages have increased tremendously during the last year. This is in line with the observation in NFHS5 that Telangana has higher number of unplanned pregnancies.

LifeSpring performed well on several parameters despite the adverse trend. A large section of our target group is indecisive between government hospital and LifeSpring. Despite that, the percentage of continuing customers (i.e., those who had at least 3 OP visit within 105 days of their visit or IP admission within 45 days of their first visit) continued to grow due to increased customer engagement at LifeSpring Hospital. It continued to be at 55% in the third quarter of 2022-23. Percentage of conversions too continued at the same level as that of the previous year at 43% (till second quarter of 2022-23). Muslims as a percentage of all delivered women at LifeSpring also grew to 17.18%, while the average number of visits per woman delivered at LifeSpring grew to 9.6. LifeSpring gained by consistently promoting Private Room and Deluxe Room occupancy (to get a better revenue per delivery). In the year under review, about 35% of delivery admissions were in private room (the highest so far in the history of LifeSpring) and 5.25% were in Deluxe Room.

The trend also shows that the share of past customers in new pregnancy registrations would continue in future, and we need to make efforts to retain this group through special incentives. At LifeSpring, while customers returning for their newer pregnancies was about 30% among all new pregnancy registrations, the percentage of 3rd or higher order births at LifeSpring Hospitals continued to be over 25%.

8.4.2 Broad changes in market players

The trend of nursing homes not being continued and a quick churn among small hospitals (started by a few doctors coming together as partners) has continued. The preference for the patients to opt for full service hospitals (i.e., those that can provide all the services under one roof without furthe referring the patient out) has increased due to fear of long-Covid. This churn among the smaller hospitals, associated with lower attachment between the doctors and nurses, led to an increase in the number of nurses who have not gained any practical experience but whose pay has increased. Due to social and political factors, the regulatory compliances requiring additional invesments by small hospitals has also increased.

LifeSpring Hospitals has responded to the changes in customer preferences by increasing the service portfolio. Admissions during late night and early mornings increased to 20% of the total admissions at LifeSpring, showing that LifeSpring is becoming more relevant to the people even when they are leaning more towards government hospitals. Double Surface Phototherapy too was offered in 9 hospitals and was taken up on 835 days – an increase of over 15% from the previous year. Ultrsound too was made available in 8 branches. General Surgeons were called to attend about 3.11% of cases and younger obstetricians managed critical cases in a collaborative manner to decrease the referrals. The overall referrals from our hospital (both before and after admissions) were contained at 2.87% of all EDD customers.

9. CONSOLIDATED FINANCIAL STATEMENTS

The Company has adopted "Ind As" with effect from 1stApril 2016. The Financial Statements in accordance with the Ind As on Consolidated Financial Statements is provided in the Annual Report. The Annual Accounts of the Subsidiary Companies, along with related information are available for inspection at the Registered Office of the Company, and also at the registered offices of the respective subsidiary companies during workinghours.

10. INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has a proper and adequate system of Internal Controls, commensurate with the nature of its business, size, scale and complexity of operations which ensures that all transactions are approved and authorized as per Delegation of Powers (DOP), recorded and reported correctly the accuracy and completeness of the accounting records in SAP driven environment. Also ensures timely preparations of reliable financial statements are maintained and assets are safeguarded and protected against loss from unauthorized use or disposition. These systems are routinely tested and certified by Statutory as well as Internal Auditors which cover all units, divisions and key business areas.

The Company, being a Public Sector Enterprise, is subject to audit by Comptroller and Auditor General (CAG) also. Corporate Audit Services conduct operations and management audit on selected areas with an objective of reviewing the performance efficiency and assurance on internal controls. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's Risk management policies and systems and provides strategic guidance.

11. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has adopted a Vigil Mechanism/Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year in this regard. The Whistle Blower Policy is placed on the website of the company.

12. RISK MANAGEMENT

Your Company has adopted a robust Risk Management Policy approved by the Board of Directors and established an Enterprise Risk Management (ERM) system that engages with all the business verticals for risk assessment and ensures that the risk mitigation plans are in place

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

14. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and on the date of this report.

14.1 Strategic Disinvestment of HLL Lifecare Limited

The Cabinet Committee on Economic Affairs (CCEA), Government of India, in its meeting held on 1st November 2017 had granted 'in-principle' approval for hiving off the Vaccine venture and Medipark project of HLL Lifecare Limited [HLL] as separate SPVs and thereafter sale of 100% of Government's equity in HLL via a two-stage auction process.

Draft Preliminary Information Memorandum for inviting Expression of Interest for Strategic Disinvestment of HLL has been prepared and the Transaction Advisor had also submitted the updated PIM to DIPAM on 14thApril, 2021. The Notification inviting Expression of Interest (EoI) from interested investors for the proposed strategic disinvestment of HLL was published by the Transaction Advisor on 14th December, 2021. Post shortlisting of the eligible EOIs, the prospective Bidders were given access to the Virtual Data Room ('VDR') in early July 2022. As on date, due diligence by the Bidders is ongoing and HLL is providing clarifications/ additional information as is being sought by the Bidders.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis; ande.

e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such

16. PARTICULARS OF EMPLOYEES

Information regarding particulars of employees drawing remuneration in excess of the limit specified under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as none of the employees of the Company has drawn remuneration in excess of the stipulated limit, during the year under review.

17. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return as at March 31, 2023 in form MGT 9 is appended as **Annexure II** to the Board's Report.

18. AUDITORS

Statutory Auditors

The observations/qualifications made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013 (Refer Addendum to Directors report).

Cost Auditors

M/s Dhananjay V Joshi & Associates, Cost Accountants, Kolkatta was appointed as Cost Auditors for the financial year 2022-23 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under Companies (Cost Records &Audit Rules), 2014.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had reappointed M/s. BVR & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31stMarch, 2023. The Secretarial Audit Report in Form No. MR3 forms part of the Annual Report as Annexure III to the Board's Report. There is no observation by Secretarial Auditors.

19. PROCUREMENT OF GOODS FROM MSMEs

During the year 2022-23, the Company has procured goods of value of Rs. 380.41 Crs from Micro, Small and Medium Enterprises (MSMEs) out of the total procurement of Rs.1408.58 Crs which is about 27% against the target of 25%..

20. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUTGO

The particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as prescribed under sub-section 3 (m) of Section 134 of the Companies Act, 2013 read with Rule8 of the Companies (Accounts) Rules, 2014, are given as Annexure-A, which forms part of this report.

21. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

HLL has been an early adopter of CSR initiatives. HLL implements CSR programmes directly and through its implementing agencies such as Hindustan Latex Family Planning and Promotion Trust [HLFPPT], HLL Management Academy and HLL Pratheeksha Charitable Society. As per sub-section 5 of Section 135 every Company for which the provisions of CSR is applicable shall spend at least 2% of the average net profit of the Company made during the three immediately preceeding financial years. The average net profit of three immediately preceeding financial year is given below:

Financial Year	Net profit as per Section 198 of the Companies Act, 2013 (Rs. In lakhs)
2019-20	12,458.28
2020-21	15,154.63
2021-22	55,181.19
Total	82,794.10
Less: Dividend from HITES for three years	4,075.00
Net profit	78,719.10
Average net profit of the three years	26,239.70
2% of average net profit	524.79

Against the total CSR obligation of Rs.524.79 Lakhs, the Company spent Rs.549 lakhs during the Financial Year 2022-23.

A summary of CSR activities carried out by HLL during the financial year 2022-23 is provided as Annexure B which forms part of this report.

22. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of good corporate governance and has taken adequate steps to adhere to all stipulations laid down in DPE O.M. No. 18(8)/2005-GM dated 14- 05-2010 issued by Department of Public Enterprises. The Company has obtained a Certificate from the Practicing Company Secretaries M/s. BVR & Associates, LLP confirming compliance of conditions of Corporate Governance forming part of this report as Annexure IV.

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this report.

24. BOARD OF DIRECTORS

The following changes took place on the Board of the Company:

Cessation

The following directors were ceased to be the Director(s) of the Company during the year 2022-23.

Name of director	DIN Number	Date of Cessation
Shri Ashish Srivastava IAS	00445688	18/10/2022
Dr. Vijaychander Reddy Pesaru	01494347	27/01/2023
Shri Rajasekar Timothy	07808705	31/03/2023

Appointment

The following Directors were appointed to the Board of Directors of HLL LifecareLimited during the Financial year 2022-23.

Name of director	DIN Number	Date of Appointment
Shri Jaideep Kumar Mishra ICAS	08712776	18/10/2022
Dr. Anitha Thampi	09698495	03/01/2023

Women Directors

In terms of the provisions of Section 149 of the Companies Act, 2013, your Company shall have at least one Woman Director on the Board. During the year under review, your Company had Smt Roli Singh IAS (Director), Dr. Geeta Sharma, Director(Finance), Smt Neeta Boochra (Independent Director) & Dr.Anitha Thampi, Director (Technical & Operations) as women Directors on the Board of theCompany.

Committees of the Board

Your Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Company has following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee

A detailed note with respect to the compositions, powers, roles, terms of reference, etc. of relevant committees are provided under Para 11 of the Report on Corporate Governance section which forms part of this Annual Report.

Declaration from Independent Directors

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

Board Meetings held during the year

During the year, six meetings of the Board of Directors were held. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The details of the meetings are furnished in the Corporate Governance Report which forms part of this Report.

25. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has constituted Redressal committees in the Head office as well as in its Units and Subsidiary Companies in accordance with the provisions of Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act, 2013 - an Act to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment. Your Company firmly believes that sexual harassment results in violation of the fundamental rights of a woman to equality under articles 14 and 15 of the Constitution of India and the right to life and live with dignity under article 21 of the constitution and the right to practice any profession or to carry on any occupation, trade or business which includes right to safe environment free from Sexual Harassment.

Company has organized meetings with ladies for creating awareness about the provisions of the Act and their rights. The provision was incorporated in the Conduct, Discipline and Appeal Rules of the Company. As part of International Women's Day Celebrations various competitions were conducted for ladies in the company.

No complaints received during the year under review in this regard.

26. NFORMATION TECHNOLOGY

The SAP application and other specific applications implemented at HLL are appropriately configured to handle emerging business processes.

In order to handle the growing demands of Retail Business Division and ensure the availability of properly organized and consolidated data at the central/regional level, a business Intelligence Dashboard solution was implemented.

This Cloud based solution is accessible from anywhere in devices like Laptop, Desktops, Mobile Phone with internet connectivity. The solution will create a data repository in a cloud data warehouse with historical data of the past five years. The Business Intelligence Dashboards display the status of Key performance indicators and other important business metrics that make the data analysis easier and intuitive

27. RESEARCH AND DEVELOPMENT

Corporate Research & Development Centre (CRDC) of HLL Lifecare Ltd. has been established with the objective to develop and introduce appropriate, affordable and innovative products with a view to address the contraceptive and healthcare needs of Indian population. CRDC is envisioned to function as a Centre of excellence in conformance with international standards facilitating a platform for both applied research and product development. It has a self-contained full-fledged campus housing a number of facilities ie Medical Devices lab, Pharma lab and Diagnostics lab. These facilities have developed implants, releases systems like patches, rings, gels, creams, tablets, films etc with different APIs including hormones. CRDC is a DSIR approved facility.

Achievements/Highlights

RT lamp based platform for detection of covid-19 virus COVI-SURE kit approved by ICMR for RT-PCR related kits.

Patents Awarded

1. Patent granted in India for "Targeted, Bioavailable and safe delivery of mucoadhesive polymer coated iron particles" on 29 Nov 2022.
2. Patent granted in India for "The process for the synthesis of non-steroidal oral contraceptive and its pharmaceutically acceptable salts" on 02 Feb 2023.

Collaborations/Tie-Ups

Collaborated with Karunya Institute of Technology and Sciences, Coimbatore for factory related projects

Projects Awarded

ICMR proposal sanction to develop alternative silicone oil condom lubricant and 1st year grant of Rs. 8,95,160 have been received from ICMR.

Publications

1. M.S. Baburaj, Midhu George Veeran, Diksha Painuly, S. Sreelekshmi, R.J. Rajkumar, Abi Santhosh Aprem,Fabrication and characterisation of polycaprolactone/gelatin/chitosan (PCL/GEL/CHI) electrospun nano-membranes for wastewater purification, Desalination, Volume 563,2023,116709, ISSN 0011-9164.
2. Shiny Deena Vargheese, Krishna Sreelekha Hemachandran , Parvathy Jayasree* "Impact of imparting knowledge and awareness on the usage of menstrual cups: A study based on project 'Thinkal' at Alappuzha Municipality in Kerala" Public health in Practice, Elsevier, 2023, 5, 100352.
3. Electrospun polyurethane-gelatin artificial skin scaffold for wound healing SS Letha, AS Kumar, N U, MJ Rosemary. The Journal of The Textile Institute 113 (3), 378-387, 2022.

Quality-by-Design Approach for Optimization and Processing of PLGA Polymer Film by Hot Melt Extrusion. MG Veeran, RR Thomas, R Ramakrishnan, AS Aprem - Journal of Pharmaceutical Innovation, 2022

Comparative differential cytotoxicity of clinically used SERMs in human cancer lines of different origin and its predictive molecular docking studies of key target genes involved in cancer progression and treatment responses, Lakshmi S, Shanitha A, Shiny Dv, Rahul Bs, Saikant R, Shehna Sharaf, Abi Sa, Rajmohan G,Current Research in Pharmacology and Drug Discovery,Volume 3,2022, 100080.

28. QUALITY MANAGEMENT SYSTEMS

28.1 QUALITY POLICY

HLL Lifecare Limited is committed to:

- Consistently provide our customers with affordable Healthcare solutions of the highest level of quality.
- Continually improve our processes, products and services, adopt best technologies and practices and meet national / International regulatory requirements at all times.
- Focus on innovation, R&D, Cost management and deliver customer value nationally and globally, conforming to the needs of our customers.
- Be an organization that meets highest standards in Corporate Governance and Corporate Social responsibility.

28.2 SAFETY, HEALTH & ENVIRONMENT POLICY

HLL Lifecare Limited is committed to protect environment, eliminate occupational hazards and maintain a healthy and safe work place by:

- Preventing any adverse impact to the environment, eliminate hazards and reduce OH&S risks by complying with applicable legal and other requirements.
- Adopting safe operating practices with employee training and their involvement through consultation and participation.
- Providing safe and healthy working conditions for prevention of work related injury and ill health.
- Improving the environmental quality by minimizing waste & emission, reusing & recycling, reducing the use of natural resources.
- Striving for a global and consistent approach that builds on local management system & best practices and to achieve sustainable performance and continual improvement.
- Periodic review of safety, health and environment management system.

28.3 LAB QUALITY POLICY

HLL Lifecare Limited is committed to:

- Ensure reliable, consistent, impartial and traceable test results by using test methods complying with national / international standards and by following good professional practices
- Ensure that all personnel involved in the testing operations are competent and familiar with the policies and procedures of the management system conforming to ISO/IEC 17025: 2017 and implement the same in their work.
- Continually improve the effectiveness of the management system.

28.4 MANAGEMENT SYSTEMS & PRODUCT CERTIFICATIONS

The company's manufacturing units/divisions continue to possess the certifications mentioned below:

- ISO 9001:2015 certification for manufacturing units at Peroorkada, Akkulam, Kochi, Irapuram and Kanagala for Quality Management System.
- ISO 13485:2016 certification for manufacturing units at Peroorkada, Akkulam, Kochi, Irapuram& Kanagala for Medical Devices Quality Management System.
- ISO 14001:2015 certification for manufacturing units at Peroorkada, Akkulam, Kochi and Kanagala for Environment Management System.

- ISO 45001: 2018 certification for units at Peroorkada, Akkulam, Kanagala and Kochi for Occupational Health and Safety Management System.
- SABS Mark for Male Condoms produced at Peroorkada Unit and Female condom produced at Kochi Unit.
- Peroorkada Factory is WHO/UNFPA prequalifiedand FDA 510K registered.
- WHO/UNFPA prequalification of Kakkanad Factory, Kochi for Male Condoms and Female Condoms.
- WHO/UNFPA prequalification of Irapuram Factory, Kochi for Male Condoms.
- CE Mark for Male Condoms at Peroorkada Unit.
- CE Mark for Type A and Type B Female Condoms produced at Kochi Unit.
- CE Mark for Blood Bags produced at Akkulam Unit.
- NABL accreditation for finished products physical testing laboratory at Peroorkada Unit, Thiruvananthapuram in accordance with ISO 17025:2017.
- NABL accreditation for medical testing at HINDLABS, at New Delhi, Navi Mumbai, Nagpur, Nashik, Kolkata, Chennai, Bengaluru, Trivandrum in accordance with ISO 15189:2012.

29. HUMAN RESOURCES

1. Human Resources Development

Your company gives high priority for development of human resources employed by them. During the year under review, the company had organized various training programmes involving 451 man days for executives and 1355 man days for workmen.

2. ndustrial Relations

The year 2022-23 witnessed harmonious industrial relations in the company as in the previous years, and no mandays lost on account of labour unrest.

3. Reservation for SC /ST/OBC and Persons with Disabilities

The company continues to follow the presidential directives in respect of reservation to SC/ST/OBC Communities and efforts are taken to fulfill the directives in Recruitment and Promotion. Serious and focused effort was also taken for Special Recruitment Drives.

The representation of SC/ST/OBC/Persons with Disabilities categories in the total employee strength as on 01.04.2023 is given below:

Description	No. of employees
Representation of : SC	225
ST	63
OBC	355
Persons with Disabilities	41
Other Categories	604
Total Strength of Employees	1288

Status of implementation of posts reserved for persons with disabilities in HLL Lifecare Limited as on 01.04.2023

Group	Total number of posts identified	No. of Post reserved for PwDs				No. of Post currently held by PwDs			
		Blind-ness or low vision	Hearing impaired	Locom-otor disability or cerebral identified	Others	Blind-ness or low vision	Hear-ing impa-ired	Locom-otor disability or cerebral identified	Others
A & B	397	4	4	4	4	1	0	10	0
C & D	891	9	9	9	9	3	10	16	1

5. HLL PRATHEEKSHA Charitable Society

The Society is registered with the Objective of sponsoring students belonging to the BPL category to pursue professional studies and also to support the health care of retired employees. Accordingly two schemes were launched by the society; one for sponsoring students and the other for giving financial support to the retired employees of the company for availing treatment for critical illness.

Currently Company is sponsoring 72 students, including students of the previous years, pursuing various streams of professional courses selected from Trivandrum district and Kanagala district, being the two districts where the two major manufacturing units of the Company are located. HLL Pratheeksha Charitable Society extended financial support for healthcare purposes of four members of HLL Pratheeksha Charitable Society and one dependent family member of the member of HLL Pratheeksha Charitable Society for FY 2022-23 aggregating to Rs. 3,25,000.The funds for the society are pooled through the monthly individual contribution of all the employees.

30. IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

Your Company has complied with the provisions of Official Language Act of 1963 and OL Rules 1976, Presidential Directions and the Annual Programme - 2022-23 issued by the Department of Official Language with utmost devotion. Various training programmes were organized for the employees and officers in order to motivate the employees to do work in Hindi and to create a conducive atmosphere in the company. A total of 407 employees/officers were trained in Hindi during the year. The programmes include :

1. All India Refresher Training on OL Policy & Noting & Drafting for officers/employees.
2. Awareness Programme on OL Policy for employees.
3. State Level Orientation Programme on OL Policy for officers/employees.
4. All India Awareness Programme on OL Policy for the officers/employees of HLL.
5. Bharathiya Bhasha Kavi Sammelan.
6. All India Seminar for officers/employees on 'HLL a Socially Committed Organization for Healthy Generations.'
7. All India OL Technical Seminar
8. State Level OL Seminar for college students on 'Azadi ka Amrith Mahotsav'.
9. State Level Translation Training for college students on the 'Scope of Translation and common problems.'

The Chairman & Managing Director, Associate vice president (OL) and Senior Manager (OL) attended the Hindi day celebrations conducted at Surat by the Department of OL, Ministry of Home Affairs, New Delhi. HLL and its Units and subsidiaries observed the Hindi Fortnight Celebrations in a befitting manner. During Hindi Fortnight Celebrations, various Hindi Competitions were organised separately for employees & children of employees. Eloquence programme was also conducted as part of Hindi Fortnight Celebrations on the subject 'Role of HLL on Women's Healthcare'. The valedictory function was inaugurated by Dr Biju Jacob, IA&AS, Principal AG, Trivandrum.

During the year HLL published two issues of its OL magazine 'Samanvaya'. The inhouse magazine 'The Family 'is published in trilingual and the monthly news letter 'moments' published bilingually.

OL Inspection was conducted by the Ministry of Health & Family Welfare. The Parliamentary Committee on (OL) also inspected our Company on 5th January 2023 at Munnar. The Committee appreciated for the best implementation of OL Policy in the Company.

HLL is also the convener of TOLIC (U) in Thiruvananthapuram. We propagate and promote OL in our member offices as well as in other TOLICs in Southern Region by way of extending training programmes, Seminars etc. Our TOLIC bagged Southern Regional Awards first prize for the years 2020-21, 2021-22 in the South West OL conference held on 5th January, 2023 at Trivandrum. TOLIC (U)sponsored 900 Kits(bag, pen and writing pad for the above Conference. The main highlights of the programmes of TOLIC are as given below:

1. Inter TOLIC orientation Programme on Annual Programme & OL Policy
2. Bharathiya Bhasha Kavi Sammelan
3. Southern Regional Kantasth Training
4. Awareness Programme on OL Policy for the Employees
5. Competitions for Employees & Children
6. State Level Orientation Programme on OL Policy
7. State Level Technical seminar
8. Southern Regional Essay writing competition etc.
9. Viswa Hindi Diwas and world mother tongue day
10. Hindi Fortnight Celebrations.
11. Inspection of member offices, and awards for the best implementation for encouraging the offices.
12. Our Company shall continue with the compliance of OL Policy.

31. CORPORATE COMMUNICATION

Your company has a well-organised Corporate Communications Department (CCD) that serves as a convergence media agency for the entire organisation. In an ever-evolving communication landscape, CCD has adapted by complementing conservative PR interventions with innovative communication strategies. The goal of CCD is to position HLL as a Global Healthcare Company that upholds the highest values, benefiting the global community. To achieve this, CCD leverages its in-house design platform to provide customized creative and design support for all communication materials. The department prioritises widespread information dissemination and fostering a positive company image. This is achieved through active engagement with local publics and influential groups, including participation in local and national events, issuing press releases to various media outlets, securing write-ups in prominent publications, publishing informative brochures, producing impactful corporate videos, and regularly organizing press meetings to announce company developments. Furthermore, the company maintains an active presence on various social media platforms, including Facebook, Instagram, Twitter, Linkedin and YouTube. Regular updates are provided on these channels to keep stakeholders informed about the latest developments.

31.1 Internal Communication :

The company acknowledges the significance of effective internal communications in ensuring that employees across the organisation comprehend and embrace the company's mission, goals, and strategies. To facilitate this, a range of communication tools in utilised such as monthly photo newsletter, monthly bulletins, a quarterly magazine, leaflets and short videos highlighting various activities / developments.

31.2 Means of Communication:

- Company Updates : All developments and changes within the company are communicated through our monthly photo newsletters, bulletins and quarterly magazine. These updates are also available on our corporate website : www.lifecarehll.com
- Media Releases : External audiences are kept informed about company developments and changes through press releases and press notes.
- Multimedia Production : Corporate Communication Department produces various creative materials in-house including brochures, leaflets, banners, and boards. It also provides photo and video coverage of company events.
- Website: HLL's corporate website www.lifecarehll.com provides comprehensive information about company's products, services, business segements, upcoming projects and more.

31.3 Social Media

Company's new launches, changes and events are published in the

Social Media	Link
Facebook Page	https://www.facebook.com/lifecarehll
Instagram page	https://www.instagram.com/hlllifecarelimited/
Twitter page	https://twitter.com/HLLLifecare
Linkedin	https://www.linkedin.com/in/hll-lifecare-ltd-1a7432224/
Youtube	Channel HLL – www.youtube.com/channelHLL.

32. HLL MANAGEMENT ACADEMY(HMA)

HLL Management Academy is an educational and social development initiative of HLL Lifecare Ltd. HMA was registered as a not-for-profit society under the Travancore Cochin Literary Scientific and Charitable Societies Registration Act 1955. Drawing from the strengths of HLL Lifecare Ltd and partner institutions of repute, HMA is devoted to academic initiatives and social development projects with a primary focus in the healthcare domain. The major activities are as follows:

32.1 Social Development Projects Division

In the financial year 2022-23, HMA has executed 234 Social development projects all over India (8 CSR projects, 207 Local Self-Governing Bodies {LSGB} projects and 19 User fee projects) with a total project value of Rs. 8,19,13,896/-.

32.1.1 M-Cup Projects

HMA's innovative project **"Thinkal – Awareness creation and distribution of menstrual cups"** has gained wide acceptance globally at the beginning itself via the support of local government and medical professionals. HMA as a social initiative feels enthralled and privileged that M- cups which were once spoken in few circles and discussed in whispers have reached out to 2, 45,000 beneficiaries within a very short span of time through 'THINKAL'.

1. CSR Model M –Cup Projects

- Project Jyotsna - A CSR initiative of Coal India Ltd.

HMA with the CSR fund of Coal India Limited, implemented Project "Jyotsna" - An innovative menstrual hygiene management programme to create awareness and distribution of M-cups among 20,000 women in Chatra and Latehar districts of Jharkhand state for the FY 2022-24 and the total project value was Rs 1,01,01,000/-. The project kick-started on 12th July 2022 in association with the district administration, District Social Welfare Officer and Public health officials of the Chatra and Latehar districts. The project with the support and guidance of "Tejaswini" project team members (Jharkhand Women Development Society) and Sevikas (Anganwadi workers). Within a span of five months, 20,016 M-cups were distributed to the women population in Chatra and Latehar districts.

- The main highlights are,

- Project Jyotsna is HMA's first project implemented outside the state of Kerala, which turned out to be a success.
- Feedback from 918 beneficiaries selected at random has been collected and it has been confirmed that 51.74% (475 numbers) of the beneficiaries have already started using M-Cups during their most recent menstruation periods.
- In Chatra & Latehar, Jyotsna was the 1st innovative menstrual hygiene management programme that reached out to the interiors of the Jharkhand state which lacks literacy, Healthcare facilities, etc.

Project Thinkal - a CSR initiative of HLL Lifecare Ltd

During the financial year, 2022-23 the Thinkal project was executed in Thiruvananthapuram, Kerala & Belagavi, Karnataka covering 5000 beneficiaries and the total project value was Rs14,50,000/-. In Thiruvananthapuram district, the project was implemented in association with Thiruvananthapuram District Panchayat. The project was inaugurated on 13th March 2023 by Shri. Suresh Kumar, Thiruvananthapuram District Panchayat President at S B Community Hall, Poovar, Trivandrum. Poovar Grama Panchayat, predominantly a fishing and typical coastal village in Trivandrum district was chosen as the thrust area of the project. The project benefitted 3750 women of Poovar village and is considered to be the first step towards converting the coastal panchayat as the first sanitary napkin free panchayat of Trivandrum district.

In addition to this, on Women's Day 2023, HMA executed an M-Cup awareness session addressing the "Importance of menstrual hygiene management (MHM) and maintaining a healthy lifestyle "at Nishagandhi auditorium in association with the Department of Women and Child Development, Government of Kerala. The session was a deliberate and conscious attempt to create knowledge and awareness regarding the use of Menstrual Cups. An M-Cup counter was set up by medical professionals of HMA. This initiative aimed to promote the use of sustainable menstrual cups. The session also addressed menorrhagia leading to anemia and its impact on women's health.Through the event we could reach out to 500 beneficiaries.

Around 50 women of Kottur Tribal village in the Agasthyamala ranges benefitted from HLL CSR Thinkal project. HMA in association with the Big FM team went to the tribal settlement to provide an alternative solution to their current menstrual practice. The medical professionals of HMA took an M-Cup awareness session and distributed M-Cups to the women of the Kottur Tribal village.

As part of HLL CSR, the Thinkal project was also implemented in Belgavi district of Karnataka covering 550 beneficiaries.

The main highlights of HLL-CSR projects includes:

- Menstrual hygiene is a critical issue in rural India, and it is particularly important in coastal areas where access to safe and hygienic menstrual products is limited. In this context, implementing a menstrual cup project in Poovar district was extremely beneficial for the beneficiaries.

2. Local Self-Governing Bodies Model M –Cup projects

Through LSGB projects, we could enhance and strengthen the welfare activities of the local self-government system in Kerala. HMA has implemented 207 LSGB M-cup projects executed at various block panchayats & grama panchayaths covering 1, 63,882 beneficiaries. Medical professionals conduct classes for panchayat officials and the distribution of M-Cups was successfully completed after the awareness sessions through corresponding PHCs in each panchayat.

3. User Fee Model M –Cup Projects

"Thinkal – Awareness Creation and distribution of M-Cups" were executed as User fee models in various organizations such as Keltron, TVS, SBI, CUSAT, Techno park, Aster Medicity and YWCA. VBD and CMO divisions of HLL also conducted 19 User Fee M-Cup projects in association with HMA. Through these projects, **4763 working** women in Kerala have benefitted.

32.1.2 Swasthya project

HMA's pioneering project **"Swasthya" -** An Innovative behaviour change programme for Anaemia in Women of Reproductive Age

1. Project Swasthya - a CSR initiative of HLL Lifecare Ltd

HMA has successfully implemented its pioneering Project "Swasthya" - An Innovative behaviour change programme for Anemia in Women of Reproductive Age in Wayanad districts, with a target of 150 women beneficiaries between 15-49 years of age and the total project value was Rs10,00,000/-. The project was implemented in association with the Viva project of the State Government of Kerala. In accordance with the district medical team of Wayanad District we conducted health awareness camps focusing on anaemia screening using hemoglobinometer along with anaemia strips and awareness creation on anemia. Health cards and Iron Sucrose were distributed to the beneficiaries of the project via District Medical Officer, Wayanad District.

2. Project Swasthya - a CSR initiative of IOCL

We are implementing Project Swasthya with the CSR support of Indian Oil Corporation Ltd in Ernakulam district. The objective of the project is to reduce the number of anaemic cases by introducing nutritional behavioural changes and addressing the major causes of anemia among women of reproductive age through medical professionals.. It is an ongoing project that aims to reach out to 15,000 women of reproductive age and the total project value is Rs 65,00,000/-. The project was inaugurated by the Honourable Minister Shri. P Rajeeve, Minister for Law, Industries & Coir on 12th February 2023 at Kalamassery, Ernakulam. We are implementing the project with the support of the National Ayur Mission, Department for Women and Child Development and various Local Self Government Bodies (LSGBs) of Ernakulam district.

32.1.3 Community Development Projects

1. Project 'Garima'

Garima - Supply of Menstrual hygiene products & conduction of menstrual hygiene awareness programmes is a CSR project funded by IOCL,Panipat, Haryana with a total project value of Rs.64,98,399/-.Through this project, supply, installation, testing & commissioning of 150 VENDIGO Sanitary Napkin Vending Machines & 50 VENDIGO Incinerators with 81,000 Happy Days sanitary Napkin Packets of 3 pads per packet. The project was executed through VBD, HLL.

2. NSFDC CSR project

Project on supply of Menstrual hygiene products & conduction of menstrual hygiene awareness programmes funded by National Scheduled Castes Finance and Development Corporation (NSFDC) with a total project value of Rs. 13,13,909/-. Supply & installation of 20 sets of sanitary napkin vending machines and incinerators in different districts of 10 states. The project was executed through VBD, HLL.

3. SECIL CSR project

Project on supply & installation of sanitary napkin vending machines and incinerators in Govt. Hospitals via VBD with a total project value of Rs. 33, 65,800/- funded by Solar Energy Corporation of India Limited.

4. My City Project

My city is the integrated solid waste management project being executed by HLL Lifecare Limited in the Kowdiar area of Thiruvananthapuram district with a total project value of Rs. 12.00 lakhs funded by HLL Lifecare Limited. My City project is an ongoing CSR project of HLL from 2013 onwards.

32.2 :- Academic Division

- Nine Management Development Programmes (MDP) covering 134 executives was conducted. There were also representation from other organizations like state PSU's and other multi-nationalcompanies apart from HLL and its subsidiaries.
- TenStaff Development Programmes (SDP) covering 225 employees were conducted of HLL and its subsidiaries.
- Five batches of GDA and TITP course conducted in association with M/s Learnet Skills Pvt Ltd covering 89 students.
- Facilitated 182 students for doing their projects/internships online as well as offline at various units of HLL as part of their curriculum.

32.3 Recognitions:

Exhibition was conducted by **The Central Bureau of Communication** in coordination with the **Government of India** at Nedumangad Municipal Hall from **06-Feb-2023 to 10-Feb-2023** from 10:30 am to 3:30 pm. In the exhibition, many Government organizations were participated such as VSSC, All India Radio, Dooradarsan, Fire & rescue department etc. HLL Lifecare Limited and HMA were able to be part of this prestigiousexhibition representing "Thinkal Awareness Creation and Distribution of M-Cup project".

33. VIGILANCE

The objective of HLL Vigilance Department is to ensure probity & across the various integrity at all levels Department offices and units of the company. The primary focus area of the is Preventive Vigilance and towards ensuring this, the Department shares relevant advice l system improvement directives received from CVC from time to time So that adherence to rules and regulations by all stakeholders becomes possible resulting in transparent and quality decision making.

As part of its functions, necessary supervision, relevant assistance and cOordination with various units/offices of the company are the steps taken by the Department. Further surprise and routine vigilance inspections, investigations / enquires, system study etc. conducted by the Division reveals information on lapses, lacuna and provides insights which is submitted before Competent Authority for appropriate action in the relevant areas. During the year 2022-23 a total of 27 complaints were received, 24 of them disposed off and 3 currently under investigation. Under the auspices of the Central Vigilance Commission, Vigilance Awareness Week was observed during the period 31.10.2022 to 06.11.2022 on the theme "Corruption Free India for a Developed Nation" commencing with officers and staff of the company taking integrity pledge and also display of banners across all offices / units of the company.

34. INTEGRITY PACT

One of the initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activity is introduction of the Integrity Pact in large value contracts in Government Organizations. Based on the guidelines/ Office Memorandum issued by the Central Vigilance Commission, your Company has already adopted Integrity Pact Policy. The Integrity Pact Policy adopted by the Company is applicable in respect of all contracts of both revenue & capital nature exceeding the threshold limit of Rs.10.00 Cr. Besides, In the case of Capital and Revenue items that are Proprietary in nature, the Integrity Pact would apply to all transactions/contracts irrespective of the value of transaction.

Shri Ashok Mangotra IAS (Retd.), Ex-Secretary to Government of India is the Independent External Monitor for HLL Lifecare Ltd. appointed by the Central Vigilance Commission. Your Company has also conducted structured meetings of the Independent External Monitor with Chairman & Managing Director and other Executives. Integrity Pact Policy has been uploaded on the web site of the Company. During Financial Year 2022-23, two Meetings of Independent External Monitor were held on 16th August 2022 and on 26th December 2022.

35. RIGHT TO INFORMATION ACT, 2005

Your Company has implemented Right to Information (RTI) Act, 2005, which enhances the common citizens by providing access to information with a view to enlighten them on the accountability and transparency practised in the Company. The Company has always endeavoured to ensure that various enabling provisions of the RTI Act, 2005 are implemented in letter and spirit.

RTI Return Summary

The number of RTI applications received and disposed off during year 2022-23 is given below:

Opening Balance as on 01.04.2022	23
Total applications received during 2022-23	
Quarter I	22
Quarter II	58
Quarter III	28
Quarter IV	32
Total	163
Applications rejected during 2022-23	7
Information furnished during 2022-23	146
Pending to Reply as on 31.03.2023	10

36. AWARDS AND RECOGNITIONS

18th National award for Excellence in Cost Management, by Institute of Cost Accountants of India (ICMAI) 1st Position in Healthcare - Category Retail & E-Commerce/Hospitality & Tourism/Healthcare. Dr Geeta Sharma, Director (Finance) receives the Award on behalf of HLL.

HLL Peroorkada Factory received SRESHTA SURAKSHA PURASKAR from National Safety Council (Kerala Chapter) for outstanding safety performance in very large category (other than chemical & engineering) on National safety day celebrations held on 04.03.2023 at Safety Training & Research Centre Irumpanam, Ernakulam.

Shri. Gokul V Babu, Manager (Safety & Environment) HLL Peroorkada Factory received BEST SAFETY OFFICER award for the year 2022 from National Safety Council (Kerala Chapter) on National safety day celebrations held on 04.03.2023 at Safety Training & Research Centre Irumpanam, Ernakulam.

Shri. Rajkiran.D, officer -2(Design & Estimation) HLL Peroorkada Factory received BEST SAFETY OBSERVER award for the year 2022 from National Safety Council (Kerala Chapter) on National safety day wcelebrations held on 04.03.2023 at Safety Training & Research

1. HLL Akkulam Factory, Thiruvananthapuram won the BEST SAFETY PERFORMANCEAWARD (First Place), from the Department of Factories and Boilers, Government of Kerala.
2. Shri. Vijith V.S, Card no.102440, of Akkulam Factory, Thiruvananthapuram received the Best Safety Worker award, from the Department of Factories and Boilers, Government of Kerala
3. Successfully completed CE mark certification audit for Blood bags by M/s DNV complying with EU MDR 2017/745 requirements. CE certificate received on 23.12.2022

37. APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors would like to make a special mention of the valuable guidance, support and co-operation your Company has been receiving from the Ministry of Health & Family Welfare and other Ministries of Government of India and look forward to their continued support in all future endeavors.

The Directors express their sincere thanks to the Comptroller and Auditor General of India, the Principal Director of Commercial Audit & Ex-officio Member of Audit Board, Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors for the co-operation and support extended by them.

The Directors take this opportunity to thank the Company's bankers, regulatory authorities, customers, vendors, consultants, technology licensors, contractors and other business associates and trading partners for their continued support and confidence reposed in the Company.

Your Directors also place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors

K Beji George IRTS
Chairman & Managing Director
[DIN: 08419099]

Date: 28th August, 2023

Place : Thiruvananthapuram

ANNEXURE- A

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 forming part of the Directors' Report for the year ended 31st March 2023

[A] CONSERVATION OF ENERGY

Energy conservation measures executed at the Peroorkada factory, Thiruvananthapuram [PFT] are mentioned below:

a) Installed 180 TR chiller at PFT. Energy savings obtained is 537600 units/year (Cost savings – 37.63 lakhs / year)

b) Installed 800 KVA transformer at PFT. Energy savings obtained 43800 units / year (Cost savings – 3.00 lakhs / year)

c) Installed energy efficient pumps and motors – Energy savings obtained is 92000 units / year (Cost savings – 6.50 lakhs / year)

Energy conservation measures taken at Akkulam Factory, Thiruvananthapuram [AFT] are mentioned below:

1. Installation of VFD in 200 TR processing cooling tower to conserve energy by optimal usage (Average energy savings/year 17160KWH).
2. Installation of three-way valves to control the chilled water supply to AHU's in Blood Bag and Suture production.
3. Installation of feedback control mechanism in all AHU's of blood bag production to conserve electrical energy.
4. Installation of automatic level control system in DM water and soft water storage tanks to conserve the usage of water.
5. Revamped the bore well at the Club premises to tap additional water source for AFT. The average yield of revamped bore well – 7 KL/day).
6. Installation of Pressure Reducing Valve (PRV) system at NCG tank of Pure Steam Generator to reduce steam consumption.

Energy conservation measure taken at Irapuram Factory, Cochin [IFC] is mentioned below.

1) Generated 12713 KWH Units of power with our existing 12 KW on grid solar

2) Replaced 70 No of fans to Energy Efficient BLDC Fans savings 18396KWH (Rs 1.19 Lakhs approx)

Energy conservation measure taken at Kanagala Factory, Belgaum [KFB] is mentioned below.

Successfully replaced 100 Nos. of conventional Fluroscent tubelights with energy efficient LED tubelights. Achieved a saving of Rs. 0.9576 Lacs / annum by reducing energy consumption.

FORM B

[A] TECHNOLOGY ABSORBTION, ADOPTION AND INNOVATION

Akkulam Factory, Thiruvananthapuram [AFT]

1. Implementation of an Advanced Energy Monitoring system using SCADA software for effective monitoring and control of electrical energy consumption at AFT.
2. Design and development of Sheet slitting and winding machine for 100 ml bags by revamping old foil rewinder.
3. Implementation of a stand-alone cooling system for radial welding of Pearl H.F welding machine to reduce the weld imbalance and improve the weld quality.

Manesar Factory Gurgaon [MFG]

Addition of new products - Medical Devices - Equipment, lab consumables as traded goods to serve customers requirements better

Kanagala Factory Belgaum [KFB]

In-house development of application programme for Micro PLC, to control Print Registration Control (PRC) for 240SS Blister packing machine in OCP plant in order to avoid breakdown.

KFB has received WHO pre-qualification certificate for our combination product i.e. Levonorgestrel 0.15 mg and Ethinylestradiol 0.03 mg tablets on 09th December 2022. In addition to that our first product i.e. Levonorgestrel 1.5 mg tablets is also requalified by WHO for the next 03 years.

[C] RESEARCH AND DEVELOPMENT (R &D) ACTIVITIES

Launching of new variant with Dotted Heart motiff (MOODS LUV 24)

[D] SUSTAINABLE DEVELOPMENT INITIATIVES

Kanagala Factory Belgaum [KFB]

91486 KHW power generated by harnessing Solar energy during the year 2022-23.

ANNEXURE- B

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY INITIATIVES OF THE COMPANY

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

(Pursuant to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021)

Brief outline on CSR Policy of the Company

Corporate Social Responsibility (CSR) & Sustainability is an integral part of the Company's ethos and policy and the Company has been pursuing this on a sustained basis. The Company has framed and adopted a Policy on CSR & Sustainability to align its philosophy to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made thereunder and the policy directions issued by the Government from time to time. The Policy on CSR & Sustainability formulated in 2013 was subsequently revised to align with the newly introduced provisions for Corporate Social Responsibility under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013

1. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr P Vijayachander Reddy	Independent Director	3	2
2	Shri T Rajasekar	Whole-time Director	3	2
3	Dr Geeta Sharma	Whole-time Director	3	3
4	Prof. (Dr) Adarsh Pal Vig	Independent Director	3	3
5	Smt Neeta Boochra	Independent Director	3	3
6	Dr Anitha Thampi (Member w.e.f 17/03/2023)	Whole-time Director	3	N.A

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

http://www.lifecarehll.com/page/render/reference/_Corporate_Social_Responsibility

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

As per Rule 8(3) of Companies (Corporate Social Responsibility Policy) Rules, "Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study". For the Financial Year 2022-23, the total CSR obligation of Company was only Rs.524.79 lakhs (less than Rupees Ten Crore) and there was no single project of value having more than Rupees Ten Crore and hence this provision is not applicable to the Company.

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	2.62	2.62
2	2021-22	-	
3	2022-23	-	Nil
	Total	2.62	2.62

6. Average net profit of the company as per section 135(5).

Rs 26,239.70 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5)

Rs 524.79 Lakhs

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

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c).

Rs 524.79 Lakhs

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

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs. lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
548.73 Lakhs	N.A	N.A	N.A	N.A	N.A

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

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to theAct.	Localarea (Yes/No)	Location Of The Project		Project Duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct	Mode of Implementation-- Through Implementing Agency	
				State	District					(Yes/No).	Name	Registration number.
1	Sri Sathya Sai Trust Kerala Purchase of Operating microscope for Opthalmology Department functioning in Sri Sathya Sai Institute of Primary Health-care, Shornur, Palakkad, Kerala.	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Palakkad	Not Applicable	4,48,000	4,48,000		Yes		
2	Renovation and facility enhancement project - Govt. Anganwadi, Latex colony, Akkulam, Thiru-vananthapuram, Kerala	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruvan Anthapu-ram	Not Appli-cable	3,00,000	3,07,037		Yes		

3	Setting up of Children's park and facility enhancement at Govt. Anganwadi, Paper Mill Road, Akkulam, Thiruvananthapuram, Kerala	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruvananthapuram	Not Applicable	3,50,000	3,91,931		Yes		
4	Facility enhancement project Govt. Anganwadi Near NCESS, Akkulam, Thiruvananthapuram	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruvananthapuram	Not Applicable	2,00,000	1,06,327		Yes		
5	Renovation and facility enhancement project Govt. Anganwadi, I T Konam, Akkulam, Thiruvananthapuram including refurbishment of roofed area (first floor) & playing area	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruvananthapuram	Not Applicable	9,00,000	11,14,188		Yes		

6	Facility enhancement project Govt. Anganwadi, Nambikkal, Akkulam, Thiru-vanantha puram	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiru-vanan-thapu-ram	Not Appli-cable	50,000	57,537		Yes		
7	Ambulance for Govt. Care Home, Pulayanarkotta, Thiruvananthapur-am, Kerala	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Appli-cable	7,63,267	7,82,217		Yes		
8	Facility enhancement at Govt UP School, Cheruvaikkal, Thi-ruvananthapuram, Kerala	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruva-nanthapu-ram	Not Appli-cable	3,50,000	3,19,816		Yes		
9	Ultra Violet Sanitization Boxes to different schools in Thiruva-nanthapuram for enhancing hygiene, health & safety	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruva-nanthapu-ram	Not Appli-cable	5,00,000	5,90,064		Yes		

10	Juhanon Mar Thoma & Mathews Mar Athanasius Memorial Centre for Holistic Devel-opment, Pathana-mthitta District, Kerala.	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Kerala	Pattana-mthitta	Not Appli-cable	1,25,000	4,67,982		Yes		
11	Sponser a furniture set comprising of a cot, a table and two chairs for 21 homeless palliative patients and other patients	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Na	Na	Na	Not Appli-cable	3,50,000	-				
12	Marthoma Vayojana Mandiram, Kattakada Biogas plant and RO water treatment	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Appli-cable	2,66,000	2,66,900		Yes		

13	Madala Govardhan Rao Charitable Trust,Guntur, Andra Pradesh.mobile Mini Hospital-"Swasthya Rath" a health care chariot facility in Rural and Remote areas in Nasik Maharashtra. Truck- Request was for Rs.2 Cr. (include 1-year maintenance)	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Andra Pradesh	Guntur	Not Appli-cable	20,00,000	20,00,000		Yes		
14	Rise Up Forum, Kozhikode, Kerala Launching Group foster care homes across India,with the goal to dein-stitutionalizing children in child-care institutions by providing them withwarmth and care of family.	(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	No	Kerala	Kozhi kode	Not Appli-cable	1,00,000	1,00,000		Yes		
15	(1) MPPS Ladella School, Damera, Hanumakonda, Telangana	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	No	Telen Gana	Hanum-konda	Not Appli-cable	2,85,000	2,83,812		No	Hindustan Latex Family Planning Promotion Trust	CSR 00010248

16	(2) Indian Red Cross Society - For construction of Rural Health Centre in Hanamkonda District, Telangana	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Telen Gana	Hanum-konda	Not Applicable	12,15,000	12,15,000		Yes		
17	Kerala Social Security Mission, under the department of social justice, government of Kerala.	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Kerala	Thiruvana-thapuram	Not Applicable	5,00,000	-				
18	Kadappakada Sports Club & Reading Room-Kadappakada, Kollam, Kerala. Allocation of funds for supporting patients with memory loss.	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Kerala	Kollam	Not Applicable	10,00,000	10,00,000		Yes		
19	False Ceiling Work in the Auditorium Hall situated in Shri Sarvhitkari Vidya Mandir on Khadial Road at Sunam, Distt San-grur, Punjab.	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	No	Punjab	Sangrur	Not Applicable	6,04,000	6,03,980		Yes		

20	Sarvhitkari Educational Society, Chandigarh - request to install water harvesting plants in 3 schools	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	No	Punjab	Begowal, Amritsar & Mohali	Not Appli-cable	8,55,000	8,55,000		Yes		
21	Anticipated projects for which enquiries received	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Na	Na	Na	Not Appli-cable	2,75,494	-				
22	Paralympic Committee of India	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	Na	Na	Na	Not Appli-cable	3,00,000	-				
23	Suvidh Sarathi Project in Various Beneficiary Schools	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Na	Na	Na	Not Appli-cable	72,000	-				

24	National Flag hoisted in Red Fort, New Delhi when India achieved 100 crore doses of vaccination for COVID-19	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Delhi	Delhi	Not Applicable	3,00,00,000	3,00,00,000		Yes		
25	Medical Diagnostic services - screening of communicable and non-communicable diseases using Mobile Medical Unit	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Uttar Pradesh	Noida	Not Applicable	9,99,000	9,80,476		No	Hindustan Latex Family Planning Promotion Trust	CSR 00010248
26	Tuberculosis Programme For Children And Adults	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	No	Uttar Pradesh	Noida	Not Applicable	9,99,000	9,15,226		No	Hindustan Latex Family Planning Promotion Trust	CSR 00010248

27	Swasthya Project Wayanad, Kerala Reducing the number of anemic cases by introducing nutritional behavioral changes an addressing the major causes of anemia like dysfunctional uterine bleeding (DUB)	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water		Kerala	Wayanad	Not Applicable	10,00,000	10,00,000		No	HLL Management Academy, Thiruvananthapuram	CSR 0000 4546
28	My City Project Waste management programme at Kowdiar ward , Kokkode, Karimadam and Chenkalchulla, in Thiruvanantha puram, Kerala	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruvanathapuram	Not Applicable	12,00,000	12,00,000		No	HLL Management Academy, Thiruvananthapuram	CSR 0000 4546

29	Project Thinkal, in Thiruvananthapuram, Kerala and Belgavi, Karnataka Innovative menstrual hygiene management programme. Awareness creation and distribution of M-cups considering the impact of M-cups to health and environment.	(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Kerala/ Karnataka	Thiruvanthapuram & Belgaum	Not Applicable	14,50,000	14,50,000		No	HLL Management Academy, Thiruvananthapuram	CSR 00004546
30	Public Health Centre, Kanagala - Developing Herbal Park at	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4 [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]	Yes	Karnataka	Belgaum	Not Applicable	55,861	57,104		Yes		
31	Anemia Control Programs at Kanagala and nearby villages	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karnataka	Belgaum	Not Applicable	2,00,000	1,09,589		Yes		

32	Free Eye Check-up camps at Kanagala and nearby villages	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karna-taka	Belgaum	Not Appli-cable	2,00,000	86,724		Yes		
33	Medical check-up camps with free medicine distribution at Kanagala and nearby villages	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karna-taka	Belgaum	Not Appli-cable	1,00,000	99,329		Yes		
34	Infrastructure development at M/s Basavagopal Orphan Home for HIV affected children at Nipani	(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Karna-taka	Belgaum	Not Appli-cable	1,91,112	1,91,112		Yes		
35	Bore-well at SolaphurGhad, Belagavi District, Karnataka	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4 [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]	Yes	Karna-taka	Belgaum	Not Appli-cable	2,00,000	64,900		Yes		

36	Construction of Bus Stand at Hitani Village, Belagavi District, Karnataka	(x) rural development projects	Yes	Karna-taka	Belgaum	Not Appli-cable	3,00,000	2,35,336		Yes		
37	Construction of toilets for BPL category in association with gram panchayats at villages in and around of KFB	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karna-taka	Belgaum	Not Appli-cable	5,00,000	4,71,765		Yes		
38	Drinking Water Facility at schools located in and around of KFB (2 numbers)	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karna-taka	Belgaum	Not Appli-cable	2,50,000	2,10,580		Yes		
39	Smart class facility at schools located in and around of KFB (1 number)	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Karna-taka	Belgaum	Not Appli-cable	1,50,000	1,46,500		Yes		
40	Donation of benches at schools located in and around of KFB (50 numbers)	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Karna-taka	Belgaum	Not Appli-cable	2,50,000	2,49,975		Yes		

41	Miscellaneous Projects by Kanagala Factory Belgaum	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Karna-taka	Belgaum	Not Applicable	1,00,000	-				
42	Installation of Mobile Fibre Bathroom to two houses situated in Kariyil SC colony, Thuthiyoor near Cochin Special Economic Zone, Kakkanad, Ernakulam, Kerala	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Kochi	Not Applicable	4,57,489	4,57,489		Yes		
43	Govt.UP School Kudappanakkun-nu, Thiruvanan-thapuram, Kerala Setting up play area at Govt.UP Kudappana kkunnu	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	8,00,000	7,98,623		Yes		
44	Concordea lu-theran U.P school, peroorkada, thiru-vananthaPURAM, Kerala Desks, Benches and other furniture of Con-cordea Lutheran U.P school.	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	2,46,491	2,45,830		Yes		

45	Mental Health Centre, Oolampara, Peroorkada, Thiruvanantha-puram, Kerala - Renovation Of Ward No.5	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	23,00,000	23,00,000		Yes		
46	Activities Planned by Valsalya – a) Provide Rs 500/- worth food kits to nearby residents of PFT	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable		74,928		Yes		
47	Activities Planned by Valsalya – b) Organize free medical checkup camp for nearby residents of PFT	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable		8,456		Yes		

48	Activities Planned by Valsalya – c) Provide food and clothing to Inmates of Orphanages near PFT(Cheshire Home, Ambalamukku & Snehalayam ,	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	2,56,531	25,634		Yes		
49	Activities Planned by Valsalya – D) Provide food to Inmates of nearby mental hospital (Oolampara)	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable		1,22,412		Yes		
50	Sanitary Napkin Incinerator at VTM NSs GHSS, Dhanuvachapuram	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	45,524	-				

51	Sanitary napkin vending machine at High Court, Kochi	(i) eradicating hunger, poverty and malnutrition, [promoting health care including preventive health] and sanitation [Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water	Yes	Kerala	Kochi	Not Applicable	40,982	-				
52	Lourdes Matha Care, Thi-ruvana nthapuram, Kerala		Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	22,55,000	5,43,056		Yes		
53	LBs Center For Sci-ence And Technol-ogy, Thiruvanan-thapuram, Kerala Repair and mainte-nance of Center of excellence for Disability Studies (CeDS) building at Poojappura, dam-aged during heavy summer rain.		Yes	Kerala	Thiruva-nanthapu-ram	Not Applicable	1,94,000	1,93,051		Yes		
							5,65,49,751	**5,31,47,886**				

1. **Details of CSR amount spent against other than ongoing projects for the financial year:** Nil
2. **Amount spent in Administrative Overheads** Not Applicable
3. **Amount spent on Impact Assessment, if applicable** Not Applicable
4. **Total amount spent for the Financial Year (8b+8c+8d+8e)** Rs.548.73 Lakhs
5. **Excess amount for set off, if any** Rs. 23.94

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	524.79
(ii)	Total amount spent for the Financial Year	548.73
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23.94
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
	Total	Nil	Nil	Nil	Nil	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
	Nil							
	Total							

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :- No Capital assets was created for HLL during FY 2022-23**

(asset-wise details).

a. Date of creation or acquisition of the capital asset(s). - Not Applicable
b. Amount of CSR spent for creation or acquisition of capital asset. - Not Applicable
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable

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

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

12. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Implementation of CSR activities is in compliance with Companies Act, 2013 & DPE guidelines to meet the CSR objectives and policy of the Company.

(Chairman and Managing Director).	**(Chairman CSR Committee).**	**[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).**

CSR Initiatives:
HLL Pratheeksha Charitable Society

The Society is registered with the Objective of sponsoring students belonging to the BPL category to pursue professional studies and also to support the health care of retired employees. Accordingly two schemes were launched by the society; one for sponsoring students and the other for giving financial support to the retired employees of the company for availing treatment for critical illness.

Currently Company is sponsoring 108 students, including students of the previous years, pursuing various streams of professional courses selected from Trivandrum district and Kanagala district, being the two districts where the two major manufacturing units of the Company are located. The funds for the society are pooled through the monthly individual contribution of all the employees.

Hindustan Latex Family Planning Promotion Trust (HLFPPT),

Hindustan Latex Family Planning Promotion Trust (HLFPPT) is a trust established and promoted by HLL Lifecare Ltd. (a Mini Ratna enterprise of Government of India) under MoHFW. HLFPPT is a not-for-profit organisation working in the domain of public health sector since last three decades and has been implementing large scale projects PAN India. HLFPPT works on RMNCHA+, HIV/AIDS, Family Planning, Elderly Care & Support, Tuberculosis, Nutrition, Mental Health, Skill Development and Covid-19 relief and support, serving the vulnerable and marginalized population with a presence in 18 states of India.HLFPPT is currently providing services in the following thematic areas:

1. Maternal and Child Health
2. Family Planning
3. Adolescent Health
4. HIV & TB Prevention, Care and Support
5. CSR Partnerships
6. Skill Development
7. Elderly Care and Support
8. Nutrition
9. Mental Health
10. Capacity Building and Training
11. Research and Development
12. COVID Relief and Services

The following sections will share the key highlights for the year 2022-23:

1. Tuberculosis

A) Private Provider Support Agency

HLFPPT is acting as interface agency between NTEP & Private Healthcare systems for supporting Private Health Sector for quality and free TB Care services. To increase the TB notification from the Private Sectors, a total of 44 districts in 5 states are covered with the aim to accelerate early detection of TB cases in the high-risk group. At present, HLFPPT is implementing TB Care programme as Private Provider Support Agency (PPSA) in 5 districts of Maharashtra state, 6 districts of Chhattisgarh, 3 districts of Odisha, 12 districts of Gujarat and 18 districts of Uttar Pradesh.

Under this program PPSA is engaging and collaborating with private health care providers including doctors, hospitals, Nursing homes, laboratories and chemists and establishing Nikshay Mitra at their health facility for providing end-to-end NTEP services to managed the TB cases. These services include free diagnostic (Universal Drug Susceptibility Testing), samples collection & transportation to testing facility, treatment, public health action, adherence, and social support along with advocacy for following standards of TB care. Monitoring of field activities is done through innovative mobile application for staff attendance, record of facility visits per month, record of sample collection and receipt of reports, delivery of lab reports to patients through direct WhatsApp, patient related notifications and record of FDC.

Mobile APP- PPSA

Under the PPSA programme for FY-2022-23, HLFPPT has notified 70,055 patients through the private Sector in Maharashtra, Chhattisgarh, Odisha, UttarPradesh, and Gujarat State which includes 9,143 patients from Maharashtra, 9,229 patients fromChhattisgarh, 3,976 patients from Odisha, 32,243 patients from Uttar Pradesh and 15,464 patients from Gujarat State.

B) State Technical Support Unit (TB)

HLFPPT through the Central Tuberculosis Division (CTD), Ministry of Health & Family Welfare (MoHFW), GoI is managing State Technical Support Units (STSU) for achieving common goal of TB elimination by 2025. The program aims to improve the coverage and quality of Tuberculosis control interventions in the public sector in targeted states of India viz. Bihar, Karnataka and Madhya Pradesh.

Technical support unit comprising a team of 11 experts includes 2 managerial and 9 domain experts who extend their support to state TB cell to manage the large-scale private sector engagement, strategic purchasing, Direct Benefit Transfer (DBT), multi-sectorial collaboration.

2.HIV/AIDS Prevention, Care and Support

A) Providing Technical Support to State AIDS Control Society (SACS)

HLFPPT has managed the Technical Support Units to provide assistance to the State AIDS Control Society (SACS) to maintain the quality of program implementation in achieving the Goals and objective of the National AIDS Control Programme (NACP) aligned with SDGs. The TSUs offered technical & professional expertise, capacity building and facilitating activities related to strengthening Targeted Interventions (TIs) for High-Risk Groups (HRGs) and Bridge Population.

Since 2007 HLFPPT has provided support in Andhra Pradesh, Telangana, Madhya Pradesh and Chhattisgarh, Maharashtra, Goa, Tamil Nadu and Odisha. HLFPPT is covering 137 districts and 549 functional Targeted Interventions with the support of more than 100 experts.

B) Global Fund Sahyog

To take forward the operations on Community SystemStrengthening, Capacity Building and Strengthening the Existing IT System, HLFPPT is a Sub Recipient for NACO Grant under the Global Fund for the period of 2021- 2024.

1)Community System Strengthening – The project focuses on community system strengthening (CSS) and empowerment and calls for community engagement at different level including cadre of health delivery system, at both NACO and SACS level. Community System Strengthening aims to achieve improved health outcomes of National AIDS Control Programme specifically strengthening Targeted Interventions programme, reducing stigma and discrimination, enhancing treatment literacy, greater Involvement of communities in decision making, and developing structured systems of community monitoring. To achieve 90:90:90 sustainable development goals as per the country commitment by 2020, hence active involvement of the Community at all level can intensify the overall intervention to Achieve the 95:95:95 target by 2024. Under CSS 731 community champions got trained on 6 modules of community system strengthening.

2) Strengthening the Existing IT System-To strengthen the existing IT systems, HLFPPT is implementing the comprehensive and Integrated MES system under NACP.This project effectively supports decision-making in line with Fast-Track targets, HIV cascade monitoring, patient follow-ups and, client-based surveillance by providing application server maintenance support, provide business intelligence and Data analytics support by conducting Data Assessments and Business algorithms.

3) Capacity Building- A consortium led by HLFPPT with PHFI and FHI India as SSRs are aiming to take forward the operation on Capacity building of managerial Cadres under NACP across country.HLFPPT is implementing this component for providing capacity building of the NACP workforce can intensify the overall intervention to achieve 95:95:95 by 2024.Under this activity a continuous capacity building programs has been organised for SACS, TSU and DAPCU officials and 716 officials (SACS Officials – 307, TSU – 73, DISHA / DAPCU – 336) got trained in year 2022 – 23.

C) Elimination of Mother to Child Transmission (EMTCT)

HLFPPT has been managing AHANA Programme in 28 districts of Chhattisgarh and 38 districts of Bihar state w.e.f. 1st January 2018 to 31st March 2021 and subsequently continuing the next grant w.e.f. 1st April'2021 to 31st March'2024 for the Elimination of Mother to Child Transmission (EMTCT).To increase the uptake of Prevention of Parent to Child Transmission (PPTCT) services,HLFPPT is advocating the testing of pregnant women for the Elimination of Mother to Child Transmission (EMTCT) services by promoting peripheral level HIV screenings among pregnant women as part of ANC, for early identification of positive pregnant women and linking them with PPTCT services.

During the financial year (2022-23) 29,08,191 (80%) pregnant women in Bihar and 6,68,479 (103%) pregnant women in Chhattisgarh know their HIV status against the total ANC registration (Data Source: Bihar & Chhattisgarh SACS).

3. Corporate Social Responsibility (CSR)

CSR is the responsibility of the various institutions/stakeholders to work for the betterment of the society and vulnerable communities. Since a decade, HLFPPT has established a CSR division for improving primary healthcare services, providing affordable and easy access to healthcare, and reaching to the last mile in the country. HLFPPT has been partnering with renowned organizations/ corporations like National Thermal Power Corporation Limited (NTPC), Indian Oil Corporation Ltd. (IOCL), Neyveli Lignite Corporation (NLC) India, Nuclear Power Corporation India Limited (NPCIL), Essar Oil, andApraava Energy (CLP India Private Ltd.)The Major programs supported under CSR are:

A)Mobile Medical Units and Community Dispensary

Theyear 2022-23 has been another rewarding year for CSR division, as we are operationalising and managing one community dispensary atThelkoloi, Sambalpur (Odisha) and 1 Mobile Medical Unit (MMU) in Paradip (Odisha)with the support of Jindal Steel Works (JSW)to provide primary healthcare services to the community with an aim to ensure universal health coverage. Apart from it, we are also operating& managing 1 MMU in Bastar (Chhattisgarh) funded by National Mineral Development Corporation (NMDC) and added 1 MMU in NTPC Ramagundam (Telangana).

In continuation, we have MMUs under the CSR funding of JSW Sambalpur (Odisha), ITC Saharanpur (Uttar Pradesh) & Munger (Bihar), ESSAR Oil and Gas Ltd Durgapur (West Bengal), NTPC Barh & Barauni (Bihar), NTPC Mauda (Maharashtra), NTPC Kawas (Gujarat), NTPC Lara (Chhattisgarh),Hero Moto Corp Ltd Haridwar (Uttarakhand), Jaipur (Rajasthan), Daruhera (Haryana), Halol (Gujarat) & Chittoor (Andhra Pradesh) and OTPC Dhalai&Gomti (Tripura). Working with these Public Service Units and Corporates, HLFPPT has unitedly achieved to reach the hard terrains of Assam, Uttarakhand, Odisha & Tripura focussing on marginalized population in far-flung areas.

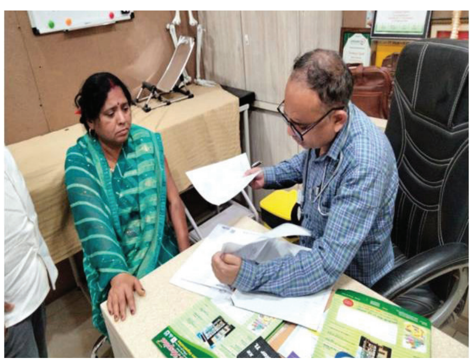
B)Tuberculosis Programme for Children and Adolescents

This program is implemented by Hindustan Latex Family Planning Promotion Trust (HLFPPT) in Bijnor district of Uttar Pradesh which was funded by HLL Lifecare Limited (A Government of India Enterprise), aimed to create awareness and active case finding of TB cases among children and adolescents to plug the gaps in diagnosis and treatment. Under the project 38 school and 60 anganwadi centres were covered and Team of HLFPPT conducted sensitization campaigns in the community to raise awareness about TB, particularly among parents, caregivers, and community leaders.

- A total of 3895 school students in 38 schools were screened for TB using the 4S screening based on symptoms and sampling via nurse.
- A total of 1408 children were screened for TB using the 4S screening based on symptoms and sampling via nurse in the presence of parents. Also, height and weight were measures of the children.

C) Diagnostic Services

Hindustan Latex Family Planning Promotion Trust (HLFPPT) has mandated by HLL Life Care Ltd to provide effective, economical and early detection/ screening of communicable and non-communicable diseases for timely management of all individuals especially to those people who have little access to healthcare services. The project aims to promote early diagnosis and screening of communicable and non-communicable disease, improve the accessibility, availability and affordability of diagnostic tests, and promote healthy lifestyle, behaviour, and wellbeing. With this project, 1200 beneficiaries were reached in Varanasi, Uttar Pradesh with free-of-cost diagnostic screenings and health cards. The health card contains demographicdetails, medical status and category of diagnostic tests of patients drafted for records and reference. For this, community awareness and mobilization at slums regarding Program and Intervention were important activities.



4. Mobile Medical Units

Improving equitable access and coverage to health services is a fundamental principle of service delivery to reach the most underserved communities living in difficult to reach areas. Mobile Medical Units (MMUs) are a key service strategy to reach such vulnerable populations. In 2022-23 HLFPPT has operationalised a fleet of 178 Mobile Medical Units supported by state governments like NHM - Uttarakhand, NHM-Assam, Kerala Medical Service Corporation Ltd. (KMSCL) and Kerala State Road Transport Corporation (KSRTC), in addition to various corporates and PSUs mentioned above. The main objective of these MMUs is to reach the difficult terrains where easy access of primary healthcare is crucial. It is equipped to provide range of curative and preventive care services by early clinical diagnosis of communicable diseases and non-communicable diseases; referral of complicated cases; early diagnosis

of pregnancy; antenatal check-up (ANC) check-ups; basic new-born care; family planning counselling; provision of contraceptives; Sexual Transmitted Infection (STI) prevention and management, eye check-ups, Medicines etc. It also focuses on quality healthcare services through the experienced and knowledgeable team of medical and para medical staff.

5. Special Health Camps Services

HLFPPT has organised specialized health camps in collaborations with NBCFDC (National Backward Classes Finance & Development Corporation) and NSFDC (National Scheduled Castes Finance & Development Corporation) for providing range of specialized care for poorly served Backward Classes and Vulnerable Population. A total of 14 camps were organised with an average footfall of around 1400 participants.Each health camp had multiplespecialists like Gynaecologist, ENT Specialist, Dermatologist, Ophthalmologist and General Physician. These camps serve as a common platform for the community for various services like free distribution of spectacles after eye check-up, HIV/AIDS screening, TB Screening and various other types of blood tests etc. along with regular OPDs.


6. COVID-19 Initiatives

A) SAMRIDH – REACH

HLFPPT has implemented a project under the SAMRIDH grant of USAID funded by IPE Global by the name REACH (Reinforcing Emergency response system by aggregating platform for Community Health) in 5 states i.e.,Uttar Pradesh, Rajasthan, Madhya Pradesh, Chhattisgarh, and Assam.The project objective is to strengthen emergency



response infrastructure for subsequent pandemics and high & low demand periods through a tech-based ambulance aggregation platform. The thrust of the programme is to provide digital platform to aggregate private ambulances for facilitating access to the nearest ambulance and hospital in the shortest possible time.Through this platform, over 2935 hospitals and 763 ambulances from 134 districts have been engaged to provide the services to the patients. Under the project, capacity building for 6989 hospital staff and 1829 ambulance operators were conducted to ensure quality standards and protocols for medical emergency care & transportation are followed. This enabled over thousands of beneficiaries to book and get their nearest ambulance in shorter times through the platform or complete support from a 24/7 helpline centre. The platform enabled the ease of locating health facilities in tier 2 and 3 regions based on the patient's real time location and requirements.

B) MOMENTUM-Routine Immunization Transformation and Equity project for Vaccination (M-RITE)

HLFPPT is implementing the USAID funded M-RITE project by JSI which aims to improve vaccination coverage through awareness and mobilization activities in eight selected districts (KBK region) of Odisha. With this project, the objective is to reach the vaccine-resistant community in the hard-to-reach areas and mobilize them for their vaccination dosage. The intervention focuses on improving last-mile accessibility and availability of COVID-19 vaccination in these districts, with a special focus on marginalized populations. The project focuses on strengthening the supply activities through advocacy and networking with the Government, private & other stakeholders for the vaccination camps for efficient utilization of vaccine and its supply, as well as building the capacities of the health workforce FLWs and HSPs.

Awareness generation through rallies and community meetings

Through this project intervention, the team has supported COVID-19 vaccination campaign for over 1893182 people and reached 5784883 people of the eight selected districts through demand generation and awareness activities including mid-media, IPC, community meetings, tele-calling, social media, and other activities. The project supported vaccination of 377375 first doses, 879123 second dose and 636684 precautionary doses. Mobile vaccine express was used to typically access the hard-to-reach areas and mobilize the beneficiaries for direct vaccination. Various collaborations were formed with the local partners, CBOs and organizations such as NYK, DSSO, SHGs and others to expand the reach.

7. NandGhar: Modern Anganwadis

HLFPPT has successfully operationalized 345 NandGhars in Uttar Pradesh, a project funded by Vedanta Limited with Ministry of Women and Child Development (MoWCD).These homes are a transformative leap dedicated to benefit rural children and women in India.

HLFPPT's Nand Ghar team worked in close coordination with Front line workers to provide accessible delivery of health services. HLFPPT has taken initiatives to ensure the timely delivery of Dry and Take-Home Rations, while also encouraging communities to adopt right nutrition practices through awareness campaigns and developed 2500 Pos-

Anganwadi activity with
3-6 years of children

Awareness on Nutrition
withcommunity members

hanVatikas (Nutrition Garden). During VHNDs, regular screening and growth monitoring of the children and immunisation sessions were conducted.

8. Rashtriya Kishore SwasthyaKaryakram(RKSK)

HLFPPT is implementing the Rashtriya Kishore SwasthyaKaryakram (RKSK) programme in Singrauli and Barwanidistrictsof Madhya Pradeshin order to ensure the holistic development of the adolescent population. The thrust of the programme is on six major areas namely developing a community-based approach to health promotion under-nutrition, sexual & reproductive health, injuries, and violence including gender-based violence, non-communicable diseases, mental health and substance misuse. Under this community-based intervention, HLFPPT has capacitated and imparted comprehensive training (including District & Block Levels) in Madhya Pradesh to Master Trainers, ASHAs, ANMs, MPWs, LHVs, etc. Clinical and counselling services are being provided to adolescents through Adolescents Health Friendly Clinics based at Community Health Centres and District Hospital. For school-going adolescents, counselling services are being provided through outreach activities. The trained peer educator called "Sathiyaas" provide Community-based support and ensure smooth implementation of the programme.

In Singrauli district,17698 adolescent (Male 5902 and Female 11796) were registered for clinical and counselling services at umang clinic and 909 beneficiaries were referred to higher centre. A total of 15 batches trainings were conducted in Singrauliwhere 1937 Sathiyaas were trained. Apart from it, 688 outreach activities wereconducted by Counsellor and Master Trainers. InBarwani district, 12657 adolescents (Male 4636 and female 8021) were registered for clinical and counselling services at umang clinic and 909 beneficiaries were referred to higher centre. A total 2015 Sathiyaas were trained on RKSK module and 487 outreach activities were conducted by Counsellor and Master Trainers.

Sathiyaas training on RKSK content

9.Skill Development Programs- Skilling Youth for a sustainable livelihood

HLFPPT has been affiliated with 18 skill sector councils namely Health Sector Skill Council (HSSC), Skill Council for Persons with Disability (SCPwD), Construction Sector Development Council of India (CSDCI), Retailers Association Skill Council of India (RASCI), Tourism & Hospitality Sector Skill Council (THSC), IT &ITeS Sector Skill Council, Apparel Made-ups & Home Furnishing Sector Skill Council, Beauty & Wellness Sector Skill Council, Logistics Sector Skill Council, Electronics and Hardware Sector Skill Council, Power Sector Skill Council, Plumbing Sector Skill Council, Rubber Skill Development Council, Agricultural Skill Sector Council, Banking Financial Services and Insurance Sector Skill Council, Capital Goods Skill Council, Sector Skill Council for Food Processing Industries, Telecom Sector Skill Council.HLFPPT through its multiple skill development programmes has successfully expanded its services across the country in 16 states and 1 union territory.

HLFPPT is empanelled as the Government Training Partner for Uttar Pradesh Skill Development Mission (UPSDM), Department of Persons with Disability, Ministry of Social Justice and Empowerment (MOSJE), Ministry of Minority Affairs (MoMA), National Scheduled Castes Finance and Development Corporation (NSFDC), HLFPPT is also awarded as Knowledge Partner with National Handicapped Finance and Development Corporation (NHFDC). HLFPPT is also associated with various organisations Petronet, CWC, GAIL, IRFC, BDL, HCL, Alliance India and implementing skill training under their CSR initiatives.

With a special focus on skill training programmes for women, candidates under juvenile justice act, transgenders, SC/ST candidates, OBC/EBC candidates and differently abled beneficiaries, HLFPPT is providing skill training under 74 job roles/trades approved by the concerned SSC. At Centre Level and State levels, skill training initiatives such as DDU GKY, PMKVY, PMAY-G etc. are implemented by HLFPPT. Currently, 79 skill development programmes at more than 100 skill centres are spread across the 17 states through which more than 65,000 candidates have been trained.


Training on General Duty Assistant

10. Second Innings Home- Elderly Care

HLFPPT is operating a 24 x 7 model old age home in three districts of Kerala namely Kannur, Kollam and Malappuramwith the support of Department of Social Justice, Government of Kerala. The project is being successfully run as "Second Innings Home." The renovated home gives a lively ambience, good health care facilities, and many activities


to engage elderly people. This centre provides elderly-friendly services, which are easily approachable, usable and user friendly. The home is equipped with unique ideas like emergency bell switches, railing support library cum reading room, laboratory facility, pharmacy, yoga room, food court for group dining, mini gymnasium, etc. To engage elderly residents in activities like flower pot making, tailoring etc. a small skill lab has been set up manned by social workers and health care professionals. The project envisages a Therapeutic home-based care on active daily living and happiness.

11. Pratheeksha Bhavan- Adult MR Home

Providing care and protecting the human rights of the poor mentally challenged persons stands as a big challenge for society. Some of the major issues faced by these mentally disabled inmates are unavailability of Medical and paramedical staff, disabled unfriendly infrastructure, lack of training to existing medical and other counselling resources, limited scope for education, skill development, active daily living, Limited platforms for satisfying social needs, express talents Therefore, Department of Social Justice has entrusted HLFPPT 'PratheekshaBhavan, Thavanur, to refurbish and upgrade infrastructure.

Residents visiting a heritage site on World Heritage DayResidents lighting lamp as part of World Earth Day With the long-term association between NHFDC and HLFPPT, we have been invited Divya Kala Mela- a national exhibition cum sale fair to showcase and market the various products made by disabled beneficiaries in various projects by HLFPPT.

12. Thejomaya- An initiative for rehabilitation of POCSO survivors

Department of Women and Child Development, Kerala initiated a project named "Thejomaya" for which HLFPPT is entrusted with running the home to rehabilitate sexual assault victims.

To support the residents to overcome the trauma of the sexual assault and equip them for a sustainable livelihood by providing them with training, the residents (19) are engaged in various activities diversifying from skill development in various potential areas like stitching, poultry farming and baking for livelihood, to intrapersonal and social development. A business model to promote entrepreneurship among the students capable to manage and run business ventures of their own is being envisaged and encouraged under the project.

13. PunnyaBhavan- Model Home for Mentally Challenged Children

PunnyaBhavan is being run and managed by HLFPPT under Social Justice Department, Government of Kerala (Formerly known as Home for Mentally Disabled Children). With the aim of rehabilitation of mentally challenged children by providing them with a multi-faceted lifestyle including medical care, training for life skills, daily living activities, special education and vocational training are being organised on a regular basis. HLFPPT has been positively impacting the well-being of resident children where special attention and care are given by an expert team of therapists, psychologists, and special educators. A skill lab for engaging residents in activities like gardening, pot making, paper pen making etc. has also been set up under the program. Additionally, to enhance the motor skills of resident children

and equip them for livelihood an initiative named "AALA" has been launched which includes training in various activities like pottery, painting, coffee making etc.

14. Outreach Clinics- Healthcare services for the underserved

HLFPPT has been conducting outreach medical camps in five different care homes - Govt. Old Age Care Home, Pulayanarkotta, Govt. Asha Bhavan Men, Govt. Asha Bhavan Women, Home for Physically Handicapped and Old Age Day Care, Poojappura in partnership with Social Justice Department. A total of 60 camps have been conducted, which gave an opportunity for residents of these care homes to access free quality health services. Specialty providers were sourced from various hospitals, for expert management.

Scheduled visits were conducted to provide primary health care services including basic diagnostic, treatment, and referral services for the residents of homes. Regular medical check-up including blood test and ECG were done to identify early signs of health issues. Proper health record of each inmate along with their progress notes are maintained with dash board. Total care including medication and treatment was reviewed including thorough physical examination, drug modification and plan to address relevant medical issues. Periodic review and monitoring of all medications were properly done.

Medical check-up

15. Model Home in Thrissur – Providing Extracurricular Activities for Residents

As part of rehabilitation and mainstreaming, Nirbhaya cell under Women and Child Development Department, Govt. of Kerala proposed to provide extracurricular activities for the residents of Model Home in Thrissur. HLFPPT implements the project through eight categories of activities such as 1. Life Skill Training, 2. Mindful Meditation Training, 3. Yoga, 4. Language and Grooming Training, 5. Digital Training, 6. Fine Arts Training 7. Exposure Visits, 8.Celebrations and Day Observations. Psychosocial assessment of the residents was conducted for preparing ICP to enable appropriate placement in the future. Successful reintegration with family was possible for some residents.


Yoga training


Fine arts programme after training


Exposure visit to Silverstorm

16. Aftercare Programme – An Initiative for Sustainable integration of Care leavers into mainstream society

The Aftercare Pilot Program is a project initiated by HLFPPT, in collaboration with the WCD Department and UNICEF, aimed at providing individualized care plans and counselling to care leavers in government institutional homes. This program was initially implemented in four institutional homes in Kozhikode and Kannur and eventually expanded to three more homes in Kollam and Kottayam. The first phase of the initiative assisted 142 care leavers over the age of 15 in seven homes. Based on a systematic evaluation of the target population, individualized care plans (ICP) were developed. In addition to the ICP, 937 sessions of individual counselling, 40 group life skill training, and 96 cognitive

Capacity Building training programSkill training for placement of care leavers

retraining sessions were conducted for the targeted care leavers. As a result, 28 care leavers were successfully placed in various positions in the domains of healthcare, mechanical, hotel management, and beauty and wellness. A total of 949 post-placement follow-up sessions were conducted with care leavers via phone calls and in-person visits. The Aftercare Program was expanded to all districts in Phase 2, covering 19 homes in which 172 care leavers were evaluated and prepared individual care plans. To ensure the sustainability of the program, 140 JJ staff members (16 superintendents, 14 CWIs, 106 caretakers, 2 mentors, and 2 watch women) were trained. The counsellors under institutional care and non - institutional care management were trained to provide interventions for care leavers. In addition, 23 counsellors under the WCD department were educated to assist the aftercare program with life skills training. Currently, 38 care leavers are successfully placed in various career pathways within the healthcare, retail, hotel, electrical, information technology, food production, fashion, plumbing, and BPO sectors. The Aftercare Pilot Program has been successful in providing individualized care plans, counselling, and life skill training to care leavers in government institutional homes. The program has also helped care leavers to find employment opportunities in various career pathways, thus ensuring their sustainable reintegration into society.

17. Model Residential School Project – Psychosocial Assessment for students' well-being

The MRS Project is a collaborative initiative between HLFPPT, the Scheduled Tribe Development Department (STDD) of Kerala, and UNICEF. The project aims to gain insights into the mental health of students attending the 20 Model Residential Schools (MRS) across Kerala. Psychosocial assessments were conducted on students in grades one through seven to evaluate their cognitive abilities, language proficiency, short-term memory, and experiences of positive and negative emotions. The assessments were carried out by a team of psychologists from HLFPPT by visiting the schools. A total of 1864 students were assessed as part of the project. The objective of the assessment was to gain a better understanding of the mental health of students attending MRS schools in Kerala. The project is funded and supported by the STDD of Kerala and UNICEF.

Psycho social assessment

18. Social Marketing

HLFPPT has been working to bring a change in the Community's behaviour and perception of healthy life by providing affordable and accessible reproductive health products to all sections of society. A self-sustainable model of social marketing of contraceptive and RCH products is implemented in the states of Uttar Pradesh, Madhya Pradesh, Rajasthan, and West Bengal in FY 2022-23 where HLFPPT owned brands of condoms (Rakshak 2 and Josh 3 Dotted) are particularly recognized in the C&D market. Targeted interventions are undertaken by effective supply chain management, establishing and strengthening community-based networks of marketing workforce who are systematically trained and embedded into the system.

19. Social Franchising- MerryGold Health Network

HLFPPT has instituted one of the most unique and largest Social Franchising health networks in India - Merrygold Health Network (MGHN). It is based on the Public-Private Partnership (PPP) model that offers quality Maternal & Child Healthcare and Family Planning Services at affordable rates. It is an innovative and self-sustainable framework for engaging private sectors & health providers to share a common platform under this program. In order to link beneficiaries with various MGHN facilities, Merry Tarang Network (Community health volunteers provide elementary MCH information to community. HLFPPT has instituted the Social Franchising health network in two States (Uttar Pradesh & Rajasthan) with 250+ private hospitals. The programme has ensured 4.5 million Antenatal Check-ups, more than 17 lakh institutional deliveries, 4 lakh sterilizations and 4.25 lakhs IUCD insertions till FY 2022-23.

Training of Merry Tarang Workers (MTWs)

.Private Sector Integration - Building Quality and Linkages

HLFPPT aims to provide technical support to 60 hospitals for Quality Improvement as per Joint Quality Standards (NABH and Manyata) which will improve healthcare services being offered through these facilities. The deliverable of the program is to ensure all the engaged facilities are prepared for accreditations/certifications ready level standards as a success matrix.HLFPPT will engage eligible Maternal Child Health (MCH) facilities that are willing for Quality Improvement (QI) as defined by the program deliverables. It is envisaged that through our proposed intervention, the health impact for mothers and new-borns would be maximized by enabling better health outcomes. This would accelerate the progress towards increasing access to and utilization of quality services.The project focuses on priority districts in the states of Uttar Pradesh, Uttarakhand and Rajasthan. The target beneficiaries are women of reproductive age who would need services at the engaged facilities in the priority districts of the states.The team has identified the facilities from Landscaping Exercise to assess their suitability as per inclusion criteria and to assess the quality of their service delivery on the JQS (NABH-FOGSI standards) and other indicators.

REPORT ON CORPORATE GOVERNANCE

The Company's philosophy on Code of Governance

Your Company is renowned for exemplary governance standards since inception and continues to devote its emphasis on transparency, accountability and integrity. The Company is committed to adhereto the ethical values and thereby ensures fairness to all stakeholders including customers, employees, investors and society at large. The basic objective of Corporate Governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to complying with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, but also to go beyond them by putting in place procedures and systems, which are in accordance with the best practices of Corporate Governance. The Company has been methodically following the Guidelines on Corporate Governance issued by Department of Public Enterprises.

The Ministry of Corporate Affairs has made the majority of the provisions of the Companies Act, 2013 effective from 1st April, 2014. The new Act is a positive step towards strengthening corporate governance regime in the country. Your Company is already in substantial compliance with most of the governance requirements provided under the new law.

The Company's Corporate Governance policies and practices focus on the following principles:

1. To recognize the respective roles & responsibilities of the Board and Management.
2. To achieve the highest degree of transparency by maintaining a high degree of disclosure levels.
3. To ensure and maintain high ethical standards in its functioning.
4. To ensure a sound system of risk management and internal controls.
5. To ensure that employees of the Company subscribe to the corporate values and apply them to their conduct.
6. To ensure that the decision making process is fair and transparent.
7. To ensure that the Company follows globally recognized corporate governance practices
8. A brief description of the Corporate Governance practices followed in your Company is given below.

SIZE AND COMPOSITION OF BOARD:

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. Your Company, being a Government Undertaking, the appointment/nomination of all the Directors is done by the President of India, through the Ministry of Health & Family Welfare. The Board has an appropriate mix of executive and non-executive Directors. The Articles of Association of the Company stipulates that the number of Directors shall not be less than three (3) and not more than ten (10).

The sanctioned strength of Board of Directors is Nine (9) and the present actual strength of Board of Directors of the Company is Seven (7) comprising

- Two (2) official Directors representing the Ministry of Health & Family Welfare, Government of India
- Two (2) Independent Directors and
- Three (3) Functional Directors namely Chairman & Managing Director, Director (Finance), and Director (Technical & Operations)

Among the present Seven directors there are four (4) women directors on the Board. The composition of the Board is substantially in line with the Guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India.

The Composition of the Board of Directors as on 31st July 2023 is given below. None of the Directors are member of more than 10 Board level Committees of public companies in which they are Directors nor holds chairmanship in more than five such committees.

Sl. No.	Name of the Director	Category of Director	No. of Other Director-ship held	No. of membership / Chairmanship of Board Committee in other companies
1	Shri. K Beji George IRTS	Chairman and Managing Director	5	Nil
2	Shri Jaideep Kumar Mishra ICAS	Government Nominee Director	4	Nil
3	Smt Roli Singh IAS	Government Nominee Director	2	Nil
4	Dr Geeta Sharma	Director (Finance)	4	Nil
5	Dr Anitha Thampi	Director (Technical & Operations)	0	Nil
6	Smt Neeta Boochra	Non official part Time Director (Independent Director)	2	Nil
7	Prof. (Dr.)Adarsh Pal Vig	Non official part Time Director (Independent Director)	0	Nil

The Board of Directors plays a primary role in ensuring good governance and smooth functioning of the Company. The Board's role, functions, responsibility and accountability are clearly defined. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to any information related to the Company.

1. MEETING AND ATTENDANCE

The Notice and Agenda notes of the Meetings are circulated to the Directors as far as possible in advance. During the financial year under review, six Board meetings were held on 24th May 2022, 26th July 2022, 02nd August 2022, 28th September 2022, 20th December 2022 and 17th March 2023 .

Information of attendance at the board meetings and the last annual general meeting is given below:

Name of the Director	No. of Board Meetings held during the tenure	Attendance in Meetings during 2022-23	
		Board Meetings	Last AGM
Shri K Beji George IRTS	6	6	Yes
Shri Ashish Srivastava IAS	3	3	N.A
Shri Jaideep Kumar Mishra ICAS	2	2	Yes
Smt Roli Singh IAS	6	6	No
Shri T. Rajasekar	6	6	Yes
Dr.Geeta Sharma	6	6	Yes
Dr. Anitha Thampi	1	1	N.A
Dr P Vijayachander Reddy	5	5	Yes
Smt Neeta Boochra	6	6	Yes
Prof. (Dr.)Adarsh Pal Vig	6	6	Yes

3. REMUNERATION OF DIRECTORS

Ministry of Health & Family Welfare (MoHFW), Government of India appoints Chairman & Managing Director and the other Functional Directors after the due process of selection is completed by Public Enterprises Selection Board. The remuneration and terms and conditions of their directorship are decided by Department of Public Enterprises. The Chairman & Managing Director and the Functional Directors are appointed for a period of five years or till the date of their superannuation or until further orders, whichever is earlier.

Non-official part-time Independent Directors are also appointed by the Ministry of Health & Family Welfare, Government of India for a period of three years and are paid a sitting fee of Rs.20,000/- for attending each meeting of the Board of Directors and Rs.15000/- for attending the Sub Committees of Board.

4. APPOINTMENT OF KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of Companies Act 2013 read with Companies (Appointment Remuneration of Managerial Personnel) Rules 2014, which have come into force from 1st April, 2014 the Board of directors has appointed the following Directors/Executives as the Key Managerial Personnel (KMPs) of the Company on their existing terms & conditions of appointment, including remuneration:

1. Shri K BejiGeorge IRTS - Chairman &ManagingDirector
2. Shri T Rajasekar - Director (Marketing)
3. Dr. Geeta Sharma - Director (Finance)
4. Shri Santhosh Cherian C - Chief Financial Officer & Senior Vice President (Finance) i/c (Upto De5. cember 2022)
6. Shri Remesh P - Chief Financial Officer & Vice-President(Finance) (w.e.f January 2023)
7. Shri Jaikrishnan A R - Company Secretary

5. COMPANY POLICIES

Policy on dealing with Related Party transactions:

The Company strictly follows all relevant provisions in the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 on dealing with Related Party transactions.

Nomination and Remuneration Policy:

HLL being a Government Company, the power to appoint Directors and to fix their remuneration vests with Government of India. The Company is governed under DPE Guidelines regarding the Remuneration Policies of Directors. The Company had complied with the relevant guidelines prescribed by the Department of Public Enterprises in thisregard.

6. BOARD CHARTER

As Trustees of the Company, the Board ensures that the Company has clear goals and policies for achievement which are in alignment with the Vision and Mission of the Company. The Board provides strategic directions, reviews corporate performance, authorizes and monitors strategic decisions, ensures regulatory compliances and safeguards interest of stakeholders. The Board of Directors adhere to the Board Charter adopted by the Board of Directors, which clearly sets out the role, structure, responsibilities and operation of Company's Board of Directors and its delegation of authority.

7. CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors of your Company has laid down a Code of Conduct and Ethics for the Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct during the year 2022-23. A declaration to this effect signed by the Chairman & Managing Director is provided below..

To the Stakeholders of HLL Lifecare Limited

Sub: Compliance with Code of Conduct and Ethics

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

K Beji George IRTS

Chairman and Managing Director

8. INDEPENDENT DIRECTORS' MEETING

A Separate Meeting of Independent Directors for FY 2022-23 was held on 27th March 2023 as per the provisions of Companies Act, 2013. Both the Independent Directors mentioned below participated in the Meeting..

Sl. No.	Independent Director(s) participated in the Meeting	Designation
1	Prof (Dr.) Adarsh Pal Vig	Independent Director
2	Smt Neeta Boochra	Independent Director

9. SECRETARIAL STANDARDS

The Central Government has issued the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2). These Standards came into force on 01st July 2015. Adherence by the Company to these Standards is mandatory as per the provisions of the Companies Act, 2013. Accordingly, your Company has complied with both the Standards. The SS 1 and SS 2 prescribes a set of principles for convening and conducting the Meetings of the Board of Directors, meetings of Committees,

General Meetings and such other matters related thereto

10. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has prepared the financial statements for the year 2022-23 in accordance with the IND AS..

11. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to focus on specific areas and make informed decisions within the authority delegated. As a part of good governance practice, the Committees of the Company are constituted with the formal approval of the Board and appointment of members and fixing of terms of reference/role of the Committees done by the Board of Directors. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

Currently the Company has the below mentioned Board subcommittees namely

1. Audit Committee
2. Nomination and Remuneration Committee
3. CSR & SD Committee

11.1 Audit Committee

Audit Committee at the Board level is one of the main pillars of Corporate Governance mechanism of the Company. Audit Committee aims to enhance the confidence in the integrity of Company's financial reporting, Internal control processes and act as a link between the Auditors and Board of Directors

11.1.1 Composition as on 31.03.2023

The Audit committee comprises the following members.

a. Shri T.Rajasekar, Director (Marketing)

b. Prof. (Dr.) Adarsh Pal Vig, Independent Director

c. Smt. Neeta Boochra, Independent Director

d. Dr Anitha Thampi, Director (Technical and Operations)

11.1.2 Audit Committee reviews the following matters:

The terms of reference of the Audit Committee includes:

I. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

II. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

III. Examination of the financial statement and the auditors' report thereon;

IV. Approval or any subsequent modification of transactions of the company with related parties;

V. Scrutiny of inter-corporate loans and investments;

VI. Valuation of undertakings or assets of the Company, where it is necessary;

VII. Evaluation of internal financial controls and risk management systems;

VIII. and Monitoring the end use of funds raised through public offers and related matters.

IX. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

X. Recommending to the Board the fixation of audit fees.

XI. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

XII. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions;and

   (g) Qualifications in the draft audit report.

i. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

ii. Reviewing, with the management, performance of internal auditors and adequacy of the internal control systems.

iii. 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.

iv. Discussionwithinternalauditorsand/orauditorsanysignificantfindingsandfollowupthereon.

v. Reviewing the findings of any internal investigations by the internal auditors/agenciesintomatters 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.

vi. 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.

vii. 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.

viii. To review the functioning of the Whistle Blower Mechanism.

ix. To review the follow up action on the audit observations of the C& A G audit.

x. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

xi. Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.

xii. Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.

xiii. Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.

xiv. Consider and review the following with the independent audit or and the management:

xv. The adequacy of internal controls including computerized information system controls and security,and

xvi. Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

xvii. Consider and review the following with the management, internal auditor and the independent auditor:

xviii. Significant findings during the year, including the status of previous audit recommendations

xix. Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

11.1.4 Meetings and Attendance

During the year under review, seven meetings of the Audit Committee were held on 21st May 2022, 11th July 2022, 26th July 2022, 01st August 2022, 27th September 2022, 07th December 2022 and 14th March 2023 respectively.

The attendance of the members at the meeting is as follows

Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
Dr P Vijayachander Reddy	6	6
Shri T Rajasekar	7	7
Prof. (Dr.) Adarsh Pal Vig	7	7
Smt. Neeta Boochra	7	7

11. 2 Nomination and Remuneration Committee

The scope and terms of reference of the Committee was enlarged by including the matters specified in Section 178 of the Companies Act, 2013.

11.2.1 Composition as on 31.03.2023

a. Dr. Geeta Sharma, Director (Finance)

b. Prof.(Dr.)Adarsh Pal Vig, Independent Director

c. Smt Neeta Boochra, Independent Director

11.2.2 Meetings and Attendance

During the year under review, two Nomination & Remuneration Committee meetings were held on 30th August 2022 & 21st October 2022.

The attendance of the members at the meeting is as follows:

Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
Dr P Vijayachander Reddy	2	2
Dr Geeta Sharma	2	2
Prof.(Dr.)Adarsh Pal Vig	2	2
Smt Neeta Boochra	2	2

11.3 Corporate Social Responsibility and Sustainable Development Committee

11.3.1 Composition (As on 31.03.2023)

- Prof (Dr.) Adarsh Pal Vig, Independent Director –Chairman
- Dr. Geeta Sharma [Director (Finance)] – Member
- Shri T Rajasekar, Director (Marketing)
- Smt Neeta Boochra, Independent Director-Member.
- Dr. Anitha Thampi, Director(Technical & Operations)—Member

11.3.2 Terms of reference

The terms of reference of the CSR Committee are as per the provisions of the Companies Act, 2013. The following are the scope/terms of reference of the CSR & SD Committee:

a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.

b. Recommend the amount of expenditure to be incurred on the above activities

c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

11.3.3 Meetings and Attendance

During the year under review, three CSR committee meetings were held on 26th July 2022, 27th September 2022 & 14th March 2023.

The attendance of the members at the meeting is as follows:

Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
Dr P Vijayachander Reddy	2	2
Shri T Rajasekar	3	3
Dr Geeta Sharma	3	3
Prof (Dr) Adarsh Pal Vig	3	3
Smt Neeta Boochra	3	3
Dr Anitha Thampi	N.A	N.A

12. INFORMATION TO BE PLACED BEFORE THE BOARD OF DIRECTORS

The Board has complete access to any information within the Company. The information inter alia, regularly supplied to the Board includes:

a. Annual operating plans and budgets and any updates

b. Annual Accounts, Directors' Report, etc.

c. Quarterly results of the Company.

d. Minutes of meetings of audit committee and other committees of the Board including minutes of Subsidiary Company and Joint-venture Company.

f.. Major Investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances,etc.

g. Award of large Contracts.

h. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.

i. Report on the status of various on going projects / scheme and Budget Utilization.

j. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement,etc.

k. Non-compliance of any regulatory, statutory or listing requirements and shareholders' service such as non- payment of dividend, delay in share transfer etc.

l. Other materially important information.

13. POST MEETING FOLLOW-UP SYSTEM:

The Governance process in the Company include an effective post-meeting follow-up, review and reporting process for action taken/pending on decisions of the Board and the Board Committee(s).

14. SHAREHOLDING PATTERN

HLL is not listed at any Stock Exchange in India or abroad. The entire paid up equity share capital of the Company is held by the President of India and his nominees

15. GENERAL BODY MEETINGS:

The Date, Time and Venue of the last three Annual General Meetings of the Company is as follows

AGM	Financial Year	Date	Time	Venue	Whether Special Resolution(s) Passed or Not
54th	2019-2020	30th Dec. 2020	10.30 a.m.	VC/OAVM	Yes
54th Adjourned AGM	2019-2020	31st Mar. 2021	03.00 p.m.	VC/OAVM	No
55th AGM	2020-2021	30th Nov. 2021	10.30 a.m	VC/OAVM	Yes
56th AGM	2021-2022	03rd December 2022	02.00 p.m	VC/OAVM	Yes

16. DISCLOSURES:

- Details of transactions between the Company and its subsidiaries, associates, key managerial personnel during the year 2022-23 are given as Note No. 2.38 to the Annual Accounts for the year ended 31 March, 2023. These transactions do not have any potential conflict with the interests of the Company at large. All transactions with the related parties were in the ordinary course of business and at arm's length price.There were no cases of non-compliance by the Company and penalties, strictures imposed on the Company by any statutory authority on any statutory payment requirements.
- Presidential directives issued by the Central government in respect of Official Language
- Implementation have been complied with during the year and also in the last three years in the Company.
- The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.
- There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.
- The Company has adequately insured all its assets and also the various business risks connected with the business of the Company and that it has duly paid insurance premium.
- The Company has adopted Foreign Exchange & Risk Management Policy to protect Rupee value of Foreign currency cash flows of the Company from adverse impact of fluctuations in exchange rates and interestrates.
- The Company has adopted Whistle Blower policy and it is affirmed that no person has been denied access to the Audit Committee in respect of reporting of suspected violations.

17. GENERAL INFORMATION

Training of Directors:

The Company has adopted Guidelines on Corporate Governance May 2010 issued by Department of Public Enterprise. Based on the DPE guidelines the company has adopted Training policy for Board members During FY 2022-23, the following Training Programs were attended by Directors of HLL Lifecare Limited.

Leadership Excellence Programme by Advocate Raheja, Pune at Thiruvananthapuram						
Sl. No	**Name**	**Designa-tion**	**Date of Training**	**Subject**	**Faculty**	**Venue**
1	Shri K Beji George IRTS	CMD	04.04.2022	Leadership Excellence Pro-gramme	Mr. Adi Raheja, Pune	Hilton Gar-den Inn
2	Shri Subramanian E A	D(T&O)				
3	Shri Rajasekar T	D(M)				

Two Day Orientation & Learning Summit of Non-official (Independent) Directors of CPSEs on 15th and 16th July 2022 by Department of Public Enterprises, Ministry of Finance, Government of India				
Sl. No	**Name**	**Designa-tion**	**Date of Training**	**Venue**
1	Dr P Vijaychander Reddy	Independent Director	15th and 16th July 2022	The Grand, Vasant Kunj – Delhi
2	Prof (Dr) Adarsh Pal Vig	Independent Director		
3	Smt Neeta Boochra	Independent Director		

Means of Communication:

Timely disclosure of relevant and reliable information is at the core of good Corporate Governance practice. Toward this end your Company has taken following initiatives.

Website	The Company's Corporate Website www.lifecarehll.com provides comprehensive information about the products, business segments, upcoming projects etc. The Company also publishes its annual audited statement of accounts in its official website.
News Releases	All updates on company's developments and changes are published through Company's Monthly photo newsletter, monthly bulletin and quarterly magazine and are also displayed on the company's website www.lifecarehll.com
Media Releases	All updates on company's developments and changes are announced to the external audiences through Press Releases. As the matter demands, CC occasionally conducts Press Conferences to brief the media directly.
Multimedia Production	CC produces various creative materials including brochures, leaflets, banners, boards and several other materials totally in-house for HLL's various divisions/departments. CC also conducts photo and video coverage of company's events.
Social Media	Company's new launches, changes and events are published in the Facebook Page- https://www.facebook.com/lifecarehll. The company videos are displayed through webinar in the website and also through the YouTube channel – www.youtube.com/channelHLL
Annual Report	The Annual Report of the Company is circulated to the shareholders, Ministry of Health & Family Welfare, Comptroller and Auditor General of India and all others entitled thereto like Statutory Auditors etc.

Plant Locations

Manufacturing	Plant Name & Location	Address
Contraceptives	Peroorkada Factory, Thiruvananthapuram (PFT), Kerala	HLL Lifecare Ltd, Peroorkada Factory, Peroorkada Thiruvananthapuram - 695005
Hospital Products	Akkulam Factory, Thiruvananthapuram (AFT), Kerala	HLL Lifecare Ltd, Akkulam Factory, Akkulam, Thiruvananthapuram - 695017
Contraceptives	Kakkanad Factory Kochi, (KFC),Kerala	HLL Lifecare Ltd, Cochin Special Economic Zone, Division, Plot No:16A/1, Kakkanadu, Cochin - 682037
Contraceptives Pharma and personal hygiene Products	Kanagala Factory, Belgaum, (KFB) Karnataka	HLL Lifecare Ltd Kanagala Factory, Belgaum, Karnataka - 591225
Hospital Products	Manesar Factory, Gurgaon, (MFG),Haryana	HLL Lifecare Ltd, Manesar Unit, Plot No: 71 Sector 7, Gurgaon, Haryana -122050
Pharma Products	Sanver Road Factory, Indore, Madhya Pradesh (PFI)	HLL Lifecare Ltd, Sector-E, Sanver Road Industrial Area, Indore - Madhya Pradesh
Contraceptives	Irapuram Factory, Cochin, (IFC), Kerala	HLL LifecareLtd, Re-Sy.No156/3, Block No.29 Rubber Park, Valayanchirangara Irapuram, Cochin-683 556
Ayurveda & Unani products	Haridwar Factory, Uttarakhand	Kharsa No. 37, Gram Makhanpur, Bhagwanpur Tehsil, Haridwar District, Uttarakhand – 247 661

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY ANALYSIS

Healthcare Industry-Outlook

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. The e-health market size is estimated to reach US$ 10.6 billion by 2025. In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020- 21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025.

The Indian medical tourism market was valued at US$ 2.89 billion in 2020 and is expected to reach US$ 13.42 billion by 2026. According to India Tourism Statistics at a Glance 2020 report, close to 697,300 foreign tourists came for medical treatment in India in FY19. India has been ranked 10th in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association. The e-health market size is estimated to reach US$ 10.6 billion by 2025.

Contraceptives:

The global contraceptives market grew from $24.13 billion in 2022 to $25.79 billion in 2023 at a compound annual growth rate (CAGR) of 6.9%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The contraceptives market is expected to grow to $33.31 billion in 2027 at a CAGR of 6.6%.

Pharmaceuticals:

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India is ranked 3rd worldwide in the production of pharma products by volume and 14th by value. The sector is the largest provider of generic medicines globally, occupying a 20 per cent share in global supply by volume, and is also the leading vaccine manufacturer globally with a market share of 60 per cent. The performance of pharma exports has been robust, sustaining positive growth despite the global trade disruptions and drop in demand for Covid-19-related treatments. The cumulative FDI in the pharma sector crossed the US$ 20 billion mark by September 2022. Furthermore, the Union Budget 2023-24 has given a boost to the pharmaceutical industry by increasing the fund allocation by more than 12 times from Rs 100 crore to Rs 1,250 crore including drugs and medical devices.

Hospital Products- Blood Bags:

The disposable blood bag market size was valued at $221.1 million in 2020, and is estimated to reach $357.2 million by 2030, growing at a CAGR of 4.9% from 2022 to 2030. Increase in number of blood donation camps across the world, and rise in plasma collection lead to surge in use of disposable blood bag. The growing number of cancer surgeries can lead to rise in use of disposable blood bags in the future. With the rise of the COVID-19 public health emergency, the demand for blood bags has increased. Many individuals with weak immune systems have been infected by COVID-19 and hospitalized, and many require a blood transfusion. As a result, the demand for blood bags and equipment has risen, following the pandemic. Many governments are also taking initiatives to help increase blood donation. As a result, the demand for blood bags is expected to increase.

Diagnostic Services:

Diagnostics are the mainstay of the detection, diagnosis and assessment of any disease. The India diagnostic industry has shown unprecedented growth in the last few years. The pandemic forced companies to come out of their comfort zones and cater to the increasing demand of testing, fast results and accurate diagnosis. The adoption of technology has further brightened the future of diagnostic companies in addition to the growing middle class, better awareness of preventive healthcare and increased expenditure on healthcare.

The rise of chronic, lifestyle and communicable diseases has also positively impacted the diagnostic industry. The collaboration of corporates and multi-national companies with various hospitals and diagnostic centers for the healthcare checkup for their employees has further uplifted the market. With superior diagnostic services available at low prices, India is fast emerging as a medical tourism hub, witnessing a surge in patients across the world for cost-effective, hassle free and quality treatment options.

It therefore comes as no surprise when studies mark it as a growing sector with an annual CAGR of 11-12 per cent and is projected to contribute unparalleled value in the coming decade.

Retail Pharmacy: (ibef)

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most number of pharmaceutical manufacturing facilities that are in compliance with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms. India is rightfully known as the "pharmacy of the world" due to the low cost and high quality of its medicines.

Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. Transformed over the years as a vibrant sector, presently Indian Pharma ranks third in pharmaceutical production by volume. The Pharmaceutical industry in India is the third largest in the world in terms of volume and 14th largest in terms of value. The Pharma sector currently contributes to around 1.72% of the country's GDP.

According to a recent EY FICCI report, as there has been a growing consensus over providing new innovative therapies to patients, Indian pharmaceutical market is estimated to touch US$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products is estimated to cross over the US$ 1 trillion mark in 2023.

FINANCE PERFORMANCE SNAPSHOT

The summarized financial results of the company for the last 10 years are given below: Ten year's performance results at a glance (Figures ` in Lacs)

Description	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Turnover	94,168.16	1,05,804.96	104469.12	105434.98	107538.27	144436.65	167764.97	508131.02	35,66,866.72	3,70,800.81
Total Income	95,368.83	1,06,203.33	105197.12	106470.71	108854.76	147168.59	173913.91	513884.3	35,69,816.59	3,78,777.77
Earnings Before Depreciation, Interest and Tax (EBDIT)	7,837.31	9330.25	10137.26	2829.47	1608.45	10320.83	21249.25	22270	62,048.26	12,690.62
Depreciation	2,375.87	2,983.12	3,652.03	3860.54	5,134.24	5428.86	5333.77	4760	4,456.76	4,024.63
Interest	1,840.35	2,594.34	2870.64	3028.44	2,961.15	3,355.9	3457.2	2320	2,410.31	1,746.66
Tax	1,050.31	597.65	900.27	-1521.31	471.4	-310.77	1409.75	3920	14,358.78	2,941.97
Profit/(Loss) After Tax	2,570.77	3,155.14	2714.32	-2538.21	-6,958.34	1846.84	11048.53	11270	40,822.40	3,977.36
Equity Dividend %	2	2	2	-	-	-	-	1.24	124%	788%
Dividend Payout	387.07	387.07	387.07	-	-	-	-	1490	1,928.71	12,247.00
Equity Share Capital	19,353.50	19,353.50	29,041.50	29041.5	29041.5	29041.5	29041.5	1553.5	1,553.50	1,553.50
Reserves and Surplus	20,586.01	23,275.31	25950.97	22946.09	15884.34	17070.41	28254.79	37064	75,337.96	64,329.67
Net Worth	39,939.51	42,628.81	54992.47	51987.59	44925.84	46111.91	57296.29	38617.5	76,891.46	65,883.17
Gross Fixed Assets	35,771.72	42,379.98	55244.09	43590.75	49312.16	50293.66	54795.43	55703	59,109.44	59,741.61
Net Fixed Assets	25,663.53	30,903.52	32878.41	36339.22	36974.16	32684.5	31904.1	32296	26,716.06	24,155.30
Total Assets	1,83,348.62	2,10,189.10	238530.28	249321.19	251297.32	277458.63	280523.13	438587	6,68,945.09	3,25,895.35
Number of Employees	1831	1837	1868	1728	1659	1569	1440	1410		

3. PHYSICAL PERFORMANCE

HLL is a leading manufacturer and marketer of a range of contraceptive products around the globe. It also provides a variety of hospital products, pharma products and healthcare delivery services. A review of HLL's manufacturing activities during 2022-23 is given below:

Sl. No.	Product	Unit	Installed Capacity	Quantity Manufactured (Current year) (Provisional)	Capacity utilization (%)	Quantity Manufactured (Previous Year)
1	Condoms	Mn. Pcs	1,971.00	1183.78	60.1%	1,063.3
2	Blood Bags	Mn. Pcs	12.50	11.19	89.5%	8.2
3	Suture	Lakh Doz.	6.00	0.91	15.2%	0.8
4	Copper–T	Mn. Pcs	17.75	8.27	46.6%	4.1
5	Oral Contraceptive Pills	Mn.Cycles	460.00	16.41	3.6%	27.4
6	Sanitary Napkin	Mn. Pcs	392.00	33.51	8.5%	66.1
7	Diagnostic Test Kits	Mn. Kits	52.00	18.00	34.6%	9.2

4. VENDING BUSINESS DIVISION (VBD)

1. Approval of Sanitary Napkin Incinerators by Kerala State Pollution Control Board

VBD had introduced Sanitary Napkin Incinerators with double Chamber complying the norms of KSPCB. The machine has got approval from Kerala State Pollution Control Board and received the first work order from Chalachitra Academy, Kerala.

2. Introduction of Drug Awareness and Mental Health program in MHM program conducted in Kerala

In the wake of reopening of schools after Covid 19 pandemic, the awareness programs are being continued in offline mode in Schools. The drug awareness module and Mental health modules were added in the MHM program. The programs were implemented in around 93 schools in the FY 22-23.

3. Extension of Contract of SHEPAD with Kerala State Womens Development Corporation (KSWDC) for 2 more years

HLL signed agreement with KSWDC for SHEPAD program for 2 more years for supply of Sanitary Napkins, Sanitary Napkin Incinerators and Awareness programs. In the FY 22-23, KSWDC board approved association with HLL for Menstrual Cups

4. Repeat Order from Northern Coalfields Limited, Singrauli

An order for 4.92 lac packs of Happy Days-3 with a value of Rs 46.76 lacs was received from Northern Coalfields Limited, Singrauli. The napkins are being supplied in 24 schools of Singrauli and Sonebhadra.

5. New order from Delhi Tourism & Transportation Development Corporation Limited

HLL received a CSR order amounting Rs 53.95 lacs from Delhi Tourism for the supply of 96 sets of sanitary napkin vending machine and incinerators. The machines are being installed in various child care homes in Delhi.

6. Menstrual Health & Hygiene Awareness Program for Women Police GCC, Chennai

HLL has conducted Menstrual Hygiene Session to Women Police of Greater Chennai Corporation, Chennai. 2485 women Police of Law & Order branch were benefitted during this session. This session happens on Friday of very week with audience of 70 women police. It started in the month of July 2022 and lasted till December. This program is now followed by sessions to armed force women police which consists of 2780 numbers.

7. CSR Projects

Indian Oil Corporation Limited, NRPL, Panipat, Haryana:

A MoU was signed with IOCL in Dec'22 for the supply of 150 vending machines, 50 incinerators and 81,000 packs of sanitary napkins in 41 selected schools of Uttar Pradesh, Haryana, Rajasthan and Delhi. HLL completed Phase 1 of Project Garima with the supply and installation of 42 vending machines, 10 incinerators and conduction of 5 menstrual hygiene awareness programs.

National Scheduled Castes Finance and Development Corporation:

Letter of Intent was received from NSFDC for the supply of 20 sets of vending machines and incinerator sets in 20 government schools spread in 10 states namely Rajasthan, Madhya Pradesh, Uttar Pradesh, Punjab, Haryana, Chhattisgarh, Uttrakhand, Himachal Pradesh, Tripura and West Bengal.

Solar Energy Corporation of India Limited, New Delhi:

A CSR order was received for the supply and installation of 44 sets of vending machine and incinerator in various government hospitals of Delhi like AIIMS, Safdarjung Hospital, Lady Hardinge Medical College Hospital, Delhi and Dr. Ram Manohar Lohia Hospital, Delhi

Electronic Corporation of India, Hyderabad

A CSR order was received for the supply and installation of Sanitary Napkins, Sanitary Napkin Vending Machines, Sanitary Napkin Incinerators in Bhupalpally District, Telangana to be distributed in Schools.

New Key Business Accounts in Telangana

1. Tribal Welfare Development Department, Telangana
2. Women & Child Development Department Karimnagar
3. School Education Department, Karimnagar
4. BC Development Office, Sangareddy

Major Marketing Achievements & Initiatives – Q1 FY 23-24

1. Introduction of Community Incinerators

Community Incinerators which can destroy all types of Sanitary Waste like Sanitary Napkins, Diapers is introduced and is under validation in Old Age Home, Social Welfare Department. The application is under approval in Suchitwa Mission.

2. IOCL CSR Project

The second phase of Project Garima has been commenced.

5. HEALTHCARE SERVICES DIVISION (HCS)

HLL forayed into the Healthcare Services sector to provide affordable healthcare services to the economically weaker and needy citizens. Today, HLL partners with various National Health Mission, State Government, and Department of Labour and Central Government institutions like CGHS and AIIMS for providing diagnostic services across India. HLL has set up high-end specialty Medical Laboratories & Imaging centres across the country. With the motto "Quality Diagnostics at Affordable Cost". Today, HLL operates in 13 states of India with 7000+ staffs and is the largest Diagnostic player in the Public Sector domain having 231 Labs Medical labs 50 imaging units and 12 NABL labs across India.

Through a chain of Healthcare Diagnostic centers, called HINDLABS, HLL offers:

- Clinical Pathology Lab services
- Radio diagnostic imaging services

HINDLABS uses state-of-the-art technology to provide the most comprehensive and advanced imaging services. The facilities are designed to comply with National Accreditation Board for Testing and Calibration Laboratories (NABL) standards. HLL started its first Hindlabs in year 2008 with pathology lab, X-Ray and ultrasound facilities at R.K Puram in New Delhi primarily for Central Government Health Scheme (CGHS) beneficiaries. To make the service more accessible, HINDLABS is expanding its network by establishing collection centres around its pathology labs in a franchisee model. HINDLABS has also established Specialty clinics which are open for 24 hours and top doctors come under one roof for its super-specialty outpatient department services. Through its various ventures, Healthcare Services Division targets market intervention to bring down the cost of various services and products to make them affordable for common man.

- Achieved Rs.674.69 Cr Against the Revenue Target of Rs.224.52 Cr for the FY 2022-23.
- AchievedRs.30.03 Cr Against the Profitability Target of Rs.10.74 Cr for the FY 2022-23.
- Cash and Credit sales ratio (Credit - Rs. 631.48 Cr& Cash - Rs. 41.98 Cr).
- Collected Rs.552.41 Cr during the FY 2022-23.

1. Maharashtra:

- HLL had been entrusted by NHM Maharashtra to provide Free Diagnostic services and the operations started from 03rd February 2017 onwards. HLL is currently providing diagnostic services to 2318 facilities across the state as a hub and spoke model. Currently, 438 lakhs patients and 1312 Lakhs tests have been performed.
- During FY 2022-23, NHM Maharashtra project has further extended the project for 5 Years.
- Construction Workers Health Screening Project with Labour Dept renewed for 5 years till 2027 for reaching 36 Lakhs beneficiaries in a year.

2. Uttar Pradesh:

- HLL is the setting up and operation of CT scan equipment in 28 districts of Uttar Pradesh and additional responsibility for operation and maintenance of 12 Nos of CT scan equipment in district hospitals. The operations commenced in November 2017 with Lakhimpur Kheri district hospital and currently has served 9.3 Lakhs beneficiaries with 9.7 Lakhs of scans.
- During FY 2022-23 , we have been awarded to expand our CT scan services for 8 more District Hospitals: Shamli, Ghaziabad, Amroha, Sambhal, Bareilly, Mainpuri, Etawah, Jhansi.

3. Assam:

- CM Free Diagnostic Services Project in the state of Assam, started operations from 2nd October 2017 and had established Laboratory facilities in 29 District Hospitals and 40 FRU Hospitals. Currently, 65.68 Lakhs tests have been conducted and services offered to around 426.99 Lakhs patients.
- NHM Assam Project extended till 30th June 2023.

4. Kerala:

We have presence in 5 Medical colleges of Kerala with 3 diagnostic centres, 2 CT Scan centres and 5 MRI centres and 1 polyclinic. We have offered services for 10 lakh beneficiaries and 62 lakh tests. Similarly, we signed an MOU with the Government of Karnataka to provide services to 5 DHs with 4 labs, 1 CT & MRI each and serviced 5.1 Lakh beneficiaries and 14 lakhs tests.

- CT Project at Neyyantinkara for 10 Years.
- USG Project MoU signed with Nedumangad Taluk Hospital for 5 Years.

- MoU Signed for Integrated diagnostic Centre at Taluk Hospital Kochi.
- MRI centre at MCH Alappuzha started at 2009. The agreement is valid till 2029, served more than 84000 patients and conducted around 92000 scans.
- MRI centre in MCH Thrissur started at 2009. The agreement is valid till 2029, served more than 80000 patients and conducted around 90000 scans.
- MRI centre in MCH Kottayam started at 2010. The agreement is valid till 2032, served more than 90000 patients and conducted around one lakh scans.
- LAB & MRI centre in MCH Kozhikode started at 2013. The agreement is valid till 2023 , served more than 2.18 lakh patients and conducted more than 2.74 lakh tests.
- MRI & CT project at SAT Hospital Trivandrum started at 2017 and the agreement valid till 2026 served 0.6 lakh patients and conducted 0.7 lakh scans.

5. Karnataka:

MoU signed for 3 units in Bangalore for construction workers health screening program, Karnataka. Similarly we signed an MoU with Government of Karnataka to provide services to 5 DHs with 4 labs and 1 CT & MRI.

- Lab & imaging centre at KCG Hospital started at2014 . The validity of the agreement is upto 2029, served 2.8 lakh beneficiaries and conducted 5.9 lakh tests.
- Lab at DH Chitradurga started at 2014. The validity of the agreement is upto 2029, served 2.4 lakh beneficiaries and conducted 8.2 lakh tests.
- Lab at DH Tumkur started at 2014. The validity of the agreement is upto 2029, served 0.8 lakh beneficiaries and conducted 1..9 lakh tests.
- Lab at DH Davangere started at 2014. The validity of the agreement is upto 2029, served 0.2 lakh beneficiaries and conducted 0.8 lakh tests.
- MRI & CT services at Mangalore Wenlock Hospital started at 2014. The validity of the agreement is upto 2029, served 0.4 lakh beneficiaries and conducted 0.42 lakh scans.

6. Arunachal Pradesh:

- MoU signed for tele reporting of CT, X Ray and MRI.
- Upgradation of X Ray unit of Health care facility to comply with AERB guideline.
- Covid Testing Lab operations extended at Chennai till (Feb 2024) and Kolkata (April 23).

7. TRIDA Lab & Poly clinic:

Understanding the giant strides in the field of healthcare at Kerala. we set up our First Diagnostic Laboratory facility and Polyclinic at a Private facility at TRIDA Complex, Medical College, Trivandrum, Kerala during May 2016. We offer huge discounts to the tune of 10-60% below MRP rates for the Laboratory Diagnostic tests. Eventually Hindlabs TRIDA have launched Minilabs across the Trivandrum City premises. The Major Minilabs are situated at District hospital Nedumangad, District hospital Peroorkada, Minilabs at Kowdiar palace dispensary, General hospital, Vattiyoorkavu, Akkulam, Hindlabs Tirumala , HindlabsPeyad , Balaramapuram, Manacaud, Pappanamcode, Vattapara, Vettukkad, Kaniyapuram, Pothencode, Venjarammoodu, Malayinkeezhu , kattakada , kilimanoor&Nalanchira.Every day Hindlabs TRIDA giving health care support of 300 to 400 patients and giving aids for 1200 to 2000 health test aids including mini labs. Hindlabs is dedicated to establish this centre as the finest diagnostic destination to all kinds of people in the region. And this facility is NABL Accredited laboratory since 2020.

- Minilab at DH Nedumangad served on an average of around 0.001 lakh beneficiaries and conducting 0.005 lakhs tests per month.
- Minilab at DH Peroorkada served on an average of 0.005 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Kowdiar palace dispensary served on an average of 0.01 lakh beneficiaries and conducting 0.05 lakhs tests per month.
- Minilab at GH Trivandrum served on an average of 0.01 lakh beneficiaries and conducting 0.04 lakhs tests per month.
- Minilab at Vattiyoorkkavu served on an average of 0.007 lakh beneficiaries and conducting 0.02 lakhs tests per month.
- Minilab at Akkulam served on an average of 0.004 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Thirumala served on an average of 0.01 lakh beneficiaries and conducting 0.03 lakhs tests per month.
- Minilab at Peyad served on an average of 0.007 lakh beneficiaries and conducting 0.02 lakhs tests per month.
- Minilab at Balaramapuram served on an average of 0.005 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Manacaud served on an average of 0.01 lakh beneficiaries and conducting 0.05 lakhs tests per month.
- Minilab at Pappanamcode served on an average of 0.01 lakh beneficiaries and conducting 0.03 lakhs tests per month.
- Minilab at Vattappara served on an average of 0.006 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Vettucaud served on an average of 0.005 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Kaniyapuram served on an average of 0.002 lakh beneficiaries and conducting 0.008 lakhs tests per month.
- Minilab at Pothencode served on an average of0.005 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Venjarammood served on an average of 0.001 lakh beneficiaries and conducting 0.003 lakhs tests per month.
- Minilab at Malayinkeezhu served on an average of 0.001 lakh beneficiaries and conducting 0.003 lakhs tests per month.
- Minilab at Kattakada served on an average of 0.001 lakh beneficiaries and conducting 0.003 lakhs tests per month.
- Minilab at Kilimanoor served on an average of 0.004 lakh beneficiaries and conducting 0.01 lakhs tests per month.
- Minilab at Nalanchira served on an average of 0.002 lakh beneficiaries and conducting 0.007 lakhs tests per month.

8. AAI Chennai/Kolkata

- During COVID pandemic, HLL had set up COVID Testing centres at Chennai and Kolkata airports for conducting Covid tests for passengers arriving from international destinations. We have screened 6.04 Lakh passengers and tested 11.71 lakhs RT-PCR/True Nat in these facilities.

9. CGHS

- HINDLABS in partnership with CGHS (Central Government Health Scheme) had set up facilities at RK Puram, Delhi and Worli, Mumbai for providing quality diagnostic services to CGHS beneficiaries at CGHS rates. We have 10 & 8 collection centres for Delhi and Worli respectively. Over the span of 8 years, we have done 44 lakhs tests with 9.47 lakhs beneficiaries from both the centres.

10. BHEL Ranipet

- HLL signed MoU with BHEL and started operation on December 2020 . So far we have tested 0.75 Lakhs tests and provided services to 0.35 Lakhs patients. The Mou has further extended till 2025.

11. NIT Trichy

- As per the NoA issues by Dean, We have started our own lab inside NIT Trichy from February at 2017. A total number of 0.32 lakhs patients and 2.03 Lakhs tests has been serviced through this facility.

12. AIIMS

Hindlabs has been privileged to be the first organization to run a diagnostic laboratory within All India Institute of Medical Science (AIIMS) Institutions. So far the prestigious institute has handed over the functioning of laboratories of Mangalagiri, Nagpur, Gorakhpur, Deoghar, Bilaspur & Bhopal.

- AIIMS Mangalgiri- HLL signed a MoU with AIIMS Managalgiri and started operating laboratory services from 2019 and the agreement is valid till 2024.So far we have offered our services to more than 1.96 lakh people and conducted 6.64 lakhs tests.
- AIIMS Nagpur- The MoU was signed on November 2018 and HLL Started operations in January 2019 and agreement valid till 2024. Served more than 1.34 lakh people and conducted 4.17 lakhs tests so far through the diagnostic facility.
- AIIMS Gorakhpur- As per the Mou signed on January 2019, we started diagnostic lab and x ray services inside AIIMS ayush block from 2019 and agreement was valid till 2024. Served more than 3.14 lakh people and conducted 12.36 lakhs tests. During the mid of February2023 , AIIMS authorities handed over the imaging facility to HLL and subsequently we started operating CT & MRI services on OP block.
- AIIMS Deoghar- Started on 2021 and agreement valid till 2026. Served around 50000 people and conducted 1.98 lakhs tests.
- AIIMS Bilaspur-HLL signed an agreement with AIIMS Bilaspur on august 2021 and started providing services from December 2021 and agreement valid till 2026. We are providing medical lab services and so far, we have reached 0.50 Lakhs beneficiaries and conducted over 3 lakhs tests.
- AIIMS Bhopal- As per the MoU, the operations commenced from May 2023 for providing medical lab and medical imaging services.

13. Haryana

MoU Signed for Const. Workers Health Screening Project with Labour Dept of Haryana renewed for 3 years.

14. Information about labs set up and wound up during the year.

- Hindlabs Molecular PCR Lab, Trivandrum closed during the FY 22-23.
- Hindlabs Molecular PCR Lab, Bengaluru closed during the FY 22-23.
- Hindlabs Molecular PCR lab, Nashik closed during the FY 22-23.
- Hindlabs Mysuru lab, Karnataka, under construction worker project closed during the FY 22-23.

15. Information about imaging centres set up and wound up during the year.

- Hindlabs AIIMS Gorakhpur CT & MRI operations started in November 2022.
- Hindlabs Neyyatinkara CT operations started from November 2022.
- Hindlabs Burla, Odisha closed its operations on December 2022.
- Hindlabs Berhampur, Odisha closed its operations on December 2022.

16. Number of labs may be region wise.

S.No	State	Diagnostic LabsCount	Services
1	Assam	70	Lab
2	Andhra Pradesh	1	Lab
3	Delhi	1	Lab& Imaging
4	Haryana	1	Lab & Imaging
5	Himachal Pradesh	1	Lab
6	Karnataka	11	Lab
7	Kerala	1	Polyclinic
8		2	Lab
9	Maharashtra	139	Lab
10	Tamil Nadu	3	Lab
11	Uttar Pradesh	1	Lab
12	West Bengal	1	Lab
13	Jharkhand	1	Lab

17. Number of imaging centres- may be region wise.

S.No	State	Imaging Centre Count	Services
1	Karnataka	2	Imaging
2	Kerala	8	Imaging
3	Odisha	2	Lab
4	Uttar Pradesh	40	Imaging
5	West Bengal	2	Imaging
6	Arunachal Pradesh	6	

18. Patients served during the year.

S.No	Description	Total Number of Patients
1	Labs	1,29,33,499
2	Imaging	4,72,486
3	Teleradiology	1,23,986

18. MoU's signed.

- MoU signed with NHM & DGMH for the Procurement, Installation, Operations, Maintenance, And Service Delivery of CT 32 slice for 8 districts in the state of Uttar Pradesh named Ghaziabad, Shamli, Sambhal, Mainpuri, Etah, Jhansi, Bareilly & Amroha.
- Signed an MoU with National Health Mission – Arunachal Pradesh dated 18th April 2022 to set up diagnostic centre at 20 Nos CHS, 40 Nos PHC and 376 Nos of Sub Centres and offer X ray teleradiology reporting services for all 23 District Hospitals, 55 CHCs, CT scan services in 6 GH/DHs at Aalo, Bomdila, Namsai, Ziro, Pasighat & Tawang & MRI services at Namsai and Tawang.

20. Contracts concluded during the year.

- n MoU signed with Government of Odisha dated 25th June 2012 to set up MRI facility at Burla and Berhampurhas been ended on 24th June 2022.
- he MoU agreement between HLL and AAI Chennai for the set up and operations of COVID-19 Testing Facility at Chennai international airport has been ended on 25-02-2023.
- he MoU agreement between HLL and AAI Kolkata for the set up and operations of COVID-19 Testing Facility at Chennai international airport has been ended on 13-05-2022.

21. Recognitions won etc.

Hindlabs won the prestigiousEconomic Times- "Best Healthcare Brands -2021" award during the FY 2022-23

6. RISK AND CONCERNS

- Risk: HLL is highly dependent on Government and Government organization for business. Loss of 'preferred vendor to government' status may impact HLL's vision and strategies significantly.
- Mitigation plan: The Company plans to mitigate this risk by two-pronged strategies of 'introducing new products and services' and 'continuously increasing market share', which are low to medium risk strategies.
- Risk: Increasing levels of compliance required for both export and domestic markets increases cost of products and services.
- Mitigation plan: The Company is confident of mitigating this risk by establishing dedicated teams to ensure compliance with applicable regulations in target territories.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Given the nature of the business and size of operations, your Company's internal control system has been designed to provide for

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.
- Compliance with applicable statutes, policies and management policies and procedures.
- Effective use of resources and safeguarding of assets.
- An integrated SAP System connecting all Plants, Sales Offices, Head office, etc.
- Observations arising out of Internal Audit are reviewed at the Audit Committee meeting and follow up action taken.
- Systems and Procedures are periodically reviewed to keep pace with the growing size and complexity of Company's operations.

The internal control system provides for well documented policies/guidelines, authorisations and approval procedures. The Company has an Audit Committee with majority of Independent Directors as members to maintain the objective. The Company through independent firms of Chartered Accountants and its own Corporate Audit/Assurance Service Division (CAS), carries out periodic audits at all locations and functions based on the plan approved by Audit Committee and brings out any deviation to internal control procedures. The summary of Internal Audit observations and status of implementation are submitted to the Audit Committee periodically on quarterly basis.

8.CAUTIONARY STATEMENT

Statements in the Director's Report and Management Discussion & Analysis describing the Company's objectives, projections, expectations and estimates are based on current business environment. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements. Readers are cautioned not to place undue conviction on the forward looking statements.

For and on behalf of Board of Directors

K Beji George IRTS
Chairman & Managing Director
[DIN: 08419099]

Date: 28th August 2023
Place: Thiruvananthapuram

Annexure I

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 arm's length transactions under third proviso thereto:

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

There were no contracts or arrangements or transactions entered into during the year ended March 31st, 2023, which were not on arm's length basis.

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

The details of material contracts or arrangements or transactions on arm's length basis for the year ended 31st March 2023 are as follows:

Name (s) of the related Party & Nature of relationship	Nature of contract/ arrangements/ transactions	Duration of contract/ arrangements/ transactions	Salient terms including the value, if any (Rs. in lakhs)	Date of Board approval, if any	Amount paid as advance, if any
Hindustan Latex Family Planning Promotion Trust (HLFPPT)- Associate	Sales	NA	30.97		Nil
	Rental Income	NA	60.06		Nil
	Other Expenses	NA			Nil
	Sundry Debtors	NA	81.93		Nil
	Consultancy / service	NA	62.82		Nil
Life Spring Hospitals Private Limited- Joint venture Company	Other Expense	NA	-		Nil
	Sundry Debtors	NA			Nil
	Investment in shares	NA	951.76		Nil
	Consultancy / service	NA			Nil
Goa Antibiotics & Pharmaceuticals Limited (GAPL) -Subsidiary company	Salaries & allowances	NA	74.85		Nil
	Investment in shares	NA	708.75		Nil
	Other expenses	NA	7.42		Nil
	Sundry debtors	NA	1,504.73		Nil
	Sundry Creditors	NA	(101.59)		Nil
	Consultancy/ Services	NA	113.47		Nil
	Purchases	NA	26.14		Nil

Name (s) of the related Party & Nature of relationship	Nature of contract/ arrangements/ transactions	Duration of contract/ arrangements/ transactions	Salient terms including the value, if any (Rs. in lakhs)	Date of Board approval, if any	Amount paid as advance, if any
HLL Infra Tech Services Limited - Subsidiary company	Rental Income	NA	315.96		Nil
	Consultancy/ Service	NA	184.33		Nil
	Dividend Income	NA	1,000.00		Nil
	Other Expense	NA	186.73		Nil
	Sundry Debtors	NA	189.63		Nil
	Sundry Creditors		0.82		Nil
	Investment in shares	NA	5.00		Nil
HLL Pratheeksha Charitable Society – Associate	Other expenses	NA			Nil
	Other liabilities	NA	1.00		Nil
HLL Management Academy – Society	Salaries & allowances	NA	20.00		Nil
	Other Expenses	NA	1.00		Nil
	Sundry Debtors	NA	421.00		Nil
	Consultancy / Services	NA	5.00		Nil
HLL Mother & Child Care Hospitals Ltd. – Subsidiary Company	Other Expenses	NA			Nil
	Sundry Debtors	NA			Nil
	Investment in shares	NA			Nil
	Consultancy / Services	NA			Nil

For and on behalf of Board of Directors

K Beji George IRTS
Chairman & Managing Director
[DIN:08419099

Date: 28th August 2022
Place: Thiruvananthapuram

Annexure II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2023 of HLL LIFECARE LIMITED

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN :U25193KL1966GOI002621

Registration Date:01/03/1966

Name of the Company: HLL Lifecare Limited

Category/Sub-Category of the Company: Public Company

Address of the Registered Office and contact details:

HLLBhavan, Mahilamandiram Road, Poojappura, Trivandrum-695 012

Whether listed company: No

Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:

M/s Integrated Registry Management Services Private Limited
No 30, Ramana Residencies,
4th Cross, Sampige Road
Malleswaram
Bangalore – 560 003

II. RINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Contraceptive Products		7.90
2.	Diagnostic services		13.29
3.	Retail Business		27.69
4	Projects and Services		6.39
5	Covid Business		40.05
6	Others		4.51

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1.	Goa Antibiotics & Pharmaceuticals Limited	U24231GA1980SGC000412	Subsidiary	74%	2(6)
2.	HLL Infra Tech Services Limited	U45200KL2014GOI036617	Subsidiary	100%	2(87)
3.	HLL Mother & Child Care Hospitals Ltd.	U85200UP2017GOI095591	Subsidiary	100%	2(87)
4.	Life Spring Hospitals Pvt.Ltd.	U85110KL2008PTC021819	Associate	50%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year%				% Changes during the year
	De-mat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF				Negligible				Negligible	
b) Central Govt		15535000	15535000	100		15535000	15535000	100	NA
c) State Govt(s)									
d) Bodies Corp.									
e) Banks/FI									
f) Any Other (PSE & ITS Nominee)									
Sub-total (A) (1):-	NA	15535000	15535000	100	NA	15535000	15535000	100	NA

Foreign NRIs - Individuals Other – Individuals Bodies Corp. Banks/FI Any Other Sub-total(A)(2):-									
Total Share holding of Promoter (A) = (A)(1)+(A)(2)	NA	15535000	15535000	100%	NA	15535000	15535000	100%	NA

Category of Shareholders	**No. of Shares held at the beginning of the year**				**No. of Shares held at the end of the year%**				**% Changes during the year**
	Demat	**Physical**	**Total**	**% of Total Share**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
B. Public Shareholding									
1. Institutions Mutual Funds Banks/FI Central Govt State Govt(s) Venture Capital Funds Insurance Companies FIIs Foreign Venture Capital Funds Others	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	NA
Sub-total (B)(1):-	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	NA
Non-Institutions Bodies Corp. IndianOverseas (b) Individuals Individual share holders holding nominal share capital upto ₹ 1 lakh Individual share holders holding nominal share capital in excess of ₹ 1 lakh	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	NA
Total Share holding of Promoter (A) = (A)(1)+(A)(2)	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	NA

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at t he end of the year%				% Changes during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs									
	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	NA
Grand Total (A+B+C)	NA	15535000	15535000	100%	NA	15535000	15535000	100%	NA

V. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the comp any	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Share s of the comp any	% of Shares Pledged/ encumbered to total shares	
1.	Govt. of India	15535000	100%	-	15535000	100%	-	NA

VI. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	
1	At the beginning of the year	15535000	100	15535000	100
2	Date wise Increase/ Decrease in Promoters	NA	NA	NA	NA
3	*Share holding during the Year specifying the reasons for decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	15535000	100	15535000	100
4	At the end of the year	15535000	100	15535000	100

VII. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No.of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil		Nil	
2	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/ transfer/ bonus/sweat equity etc):				
3	At the End of the year (or on the date of separation, if Separated during theyear)	Nil		Nil	

VIII. Shareholding of Directors and Key Managerial Personnel

Sl No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Dr Dharmendra S Gangwar IAS, Director	100	Negligible	100	Negligible
2	Dr Mandeep Kumar Bhandari IAS, Director	100		100	
3	Shri E A Subramanian, Director	100		100	
4	Shri T Rajasekar, Director	100		100	
5	Dr Geeta Sharma	100		100	
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/ de-crease(e.g. allotment /transfer/bonus/sweat equity etc)				
	At the end of the year				
1	Shri Jaideep Kumar Mishra ICAS, Director	100	Negligible	100	Negligible
2	Smt Roli Singh IAS, Director	100		100	
3	Shri. K Beji George IRTS, Chairman	100		100	
4	Shri. T Rajasekar,Director	100		100	
5	Dr.Geeta Sharma, Director	100		100	

IX. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness			In crs	
Indebtness at the beginning of the year	Secured Loans excl.deposits	Unsecured Loans	Deposits	Total
Principal	157.80			157.80
Interest due but not paid	-			-
Interest accured but not paid	-			-
Total	157.80			157.80
Changes:				
Addition	232.05			
Reduction				-
Net change	232.05			232.05
Indebtness at the end of the year				
Principal	389.85			389.85
Interest due but not paid				-
Interest accured but not paid				-
Total	389.85			389.85

X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager					Total Amount
		Shri K Beji George IRTS	Shri E A Subramanian (Upto April 2022)	Dr Geeta Sharma	Shri T Rajasekar	Dr Anitha Thampi (w.e.f 04/01/2023)	
1.	Gross salary						
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	54.39	3.14	61.39	45.75	9.05	173.72
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961						
	c) Profits in lieu of salary under u/s 17(3) Income tax Act, 1961						
2.	Stock Option						
3.	Sweat Equity						
4.	Commission as % of profit others, specify.						
5	Others, please specify (Employer PF contribution & contributory pension)	1.23		5.45	7.80	1.96	16.44
6	Terminal Benefits		31.86		42.48		74.34
7	Total (A)	55.62	35.00	66.84	96.03	11.01	264.50
	Ceiling as per the Act						

B. Remuneration to other directors:

(Rs.in Lakh)

Sl.No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dr.Vijay chander Reddy	Dr.Adarsh Pal Vig	Mrs.Neeta Boochra	
1	Independent Directors Fee for attending board / committee meetings Commission Others, please specify				
	Total (1)				
2.	Other Non-Executive Directors				
	Fee for attending board / committee meetings Commission Others, please specify	-	-	-	-
	Total (2)	Nil			Nil
	Total (B) = (1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Shri Jaikrishnan A R, Company Secretary	Shri Santosh Cherian C, CFO (Upto December 2022)	Shri Remesh P, CFO (w.e.f January 2023)	
1	Gross salary	-	-	-		-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	25.74	24.69	11.19	61.62
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-				
	c) Profits in lieu of salary under u/s 17(3) Income- tax Act, 1961	-				
2.	Stock Option	-				
3.	Sweat Equity	-				
4.	Commission as % of profit, others specify.	-				
5	Others, please specify (Employer PF contribution & contributory pension)	-	2.52	1.86	0.70	5.08
6	**Total**	**-**	**28.26**	**26.55**	**11.89**	**66.70**

XI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure III

Form No: MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

HLL LIFECARE LIMITED

CIN: U25193KL1966GOI002621

HLL BHAVAN, MAHILAMANDIRAM ROAD,

POOJAPPURA, THIRUVANANTHAPURAM

KERALA - 695012, INDIA

We, BVR & ASSOCIATES Company Secretaries LLP, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. HLL LIFECARE LIMITED [CIN: U25193KL1966GOI002621] (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minutes, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, its officers, agents, and authorised representatives during the conduct of the secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the laws as mentioned in Annexure 1, standards, guidelines etc., and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the minutes, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations framed there under

(iv) The Securities Contract Regulation Act, 1956 and the Rules made there under

We have relied on the representations made by the company and its officers for systems and mechanisms formed by the company for compliances under industry specific applicable Acts, general Laws and regulations to the company. The list of other major head/Groups of Acts, Laws and Regulations as applicable to the company is given in Annexure 1.

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

Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable.

The Company being an unlisted company the Listing Regulations are not applicable to the company.

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

We further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directorduring the reportingperiod. 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 Companies Act, 2013 with payment of fee/additional fees.

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

The Directors havecompliedwith the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel and also with regard to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.

We report that, during the year under review:

The Company hasdeclared final dividend for F.Y 2021-22to its shareholdersduring the period under scrutiny and all the applicable provisions of the Companies Act, 2013 were seen complied with.

The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are systems in place to ensure compliance of all laws applicable to the company.

We further report that;

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

For BVR & Associates Company Secretaries LLP

Gokul R I
Designated Partner
FCS No.11868
C P No.14245
UDIN:F011868E000816045
PR No.706/2019

Place: Trivandrum
Date: 17.08.2023

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

Annexure A

To,

The Members,

M/s. HLL LIFECARE LIMITED

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

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

For BVR & Associates Company Secretaries LLP

Gokul R I
Designated Partner
FCS No.11868
C P No.14245
UDIN:F011868E000816045
PR No.706/2019

Place: Trivandrum
Date: 17.08.2023

Annex 1

List of Industry specific laws applicable to the company

1. The Factories Act, 1948
2. The Air (Prevention and Control of Pollution) Act, 1981
3. Water (Prevention & Control of Pollution) Act 1974
4. The Environment (Protection) Act, 1986
5. Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013
6. Drugs & Cosmetics Act,1940

For BVR & Associates Company Secretaries LLP

Gokul R I
Designated Partner
FCS No.11868
C P No.14245
UDIN:F011868E000816045
PR No.706/2019

Place: Trivandrum
Date: 17.08.2023

Annexure IV

COMPLIANCE CERTIFICATE

To
The Members
HLL LIFECARE LIMITED
CIN: U25193KL1966GOI002621
HLL BHAVAN, MAHILAMANDIRAM ROAD,
POOJAPPURA, THIRUVANANTHAPURAM
KERALA – 695 012, INDIA

We have examined the compliance of conditions of Corporate Governance by HLL Lifecare Limited for the financial year ended on 31st March 2023, as stipulated by DPE OM No. 18(8)/2005-GM dated 14th May 2010.

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

In our opinion and to the best of our information to the explanations given to us, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE O.M.

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

for BVR& Associates Company Secretaries LLP

Gokul R I
Practicing Company Secretary
M.No.F11868
CP.No.14245
UDIN: F011868E000809381

Place: Trivandrum
Date: 16.08.2023

Addendum to Directors Report

Management Response to Audit Qualifications

Qualification1 :

Non Current Tax Asset (Note: 8) include Tax deducted at Source on the payments made to the company by various third parties. Since, as disclosed in Note 8, reconciliation of the same with the data available in Form 26AS is not complete, we are unable to express an opinion on extend of the realisability of the said amount.

Management Response:

Non Current Tax Asset includes Rs.43.36 Cr being Tax credit accounted for the year 2022-23 as against Rs. 55.48 Cr in Form 26AS. The difference is mainly due to large volume of transactions and non-identification of TDS against collections from various customers due to mismatches in customer master, Trade and Legal name and multiple tax deduction accounts for customers . While continuous efforts are done for identification and manual reconciliation , an automated solution for the reconciliation is being explored.

Qualification 2:

Other current assets (Note 14) include the Goods and Service Tax (GST) / VAT/ ST input of Rs 124.99 Cr. Since the reconciliation of the input credit as per books of accounts and Ledgers and data available in the GST portal is not yet completed by the company, the reasonable accuracy of the aforesaid amount could not be assessed by us.

Management Response :

The Input ledger balance of Rs 124.99 Cr as on 31.03.2023 stated in the qualification of FY 22-23 includes the balances from the inception of GST regime ie FY 2017-18 onwards. This amount was qualified by the statutory auditorsduring the FY 2022-23. The break up of Rs 124.99 Cr includes amounts of reconciled e cash ledger balance, reconciled export refund ledger balance and the indirect tax balances of previous tax regime for which provision is already created in the books. After removing the reconciled balances and provisions, the net balance of GST Input as per books as on 31.03.2023 is Rs 102.16 Cr. Against this Input tax credit balance in the books of accounts, there is an available balance of Rs 49.83 Cr in the GST portal. Hence the net variation between Input balance as per books and Input reflecting in GST portal as on 31.03.2023 is Rs 52.33 Cr. This balance is being analysed for suitable treatment in the books of accounts.

STANDALONE FINANCIAL STATEMENT 2022-23

Independent Auditor's Report

To the Members of HLL Lifecare Limited
Poojapura, Kerala-695012

Report on the A udit of the Standalone Financial Statements

Issued by revising the report dated 06-09-2023 with UDIN 23205660BGSTAD 6541 for the reasons given in para 21 under Other Matters section and this may be treated as the report of even date referred in the financial statements bearing the aforementioned UDIN.

QUALIFIED OPINION

1. We have audited the accompanying Standalone Financial Statements of HLL Lifecare Limited ("the Compan y"), which comprise the Balance Sheet as at 31st 51 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Cash Flow Statement for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the " standalone financial statements").

2. In our opinion and to the best of our information and according to the ex planations given to us, except for the effects of the matter described in the basis for Qualified Opinion Paragraph, the aforesaid Standalone Financial Sta tements give the information required by the Companies Act, 201 3 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 51 March 2023, its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

BASIS OF QUALIFIED OPINION

3. Non Current Tax Asset (Note: 8) include Tax deducted at Source on the payments made to the company by various third parties. Since, as disclosed in Note 8, reconciliation of the same with the data available in Form 26AS i s not complete, we are unable to express an opinion on ex tend of the reali sabili ty of the said amount.

4. Other current assets (Note 14) include the Goods and Service Tax (GST) I V AT/ ST input of Rs 124.99 Cr. Since the reconciliation of the input credit as per books of accounts and Ledgers and data available in the GST portal is not yet completed by the company, the reasonable accuracy of the aforesaid amount could not be assessed by us.

5. We conducted our audit in accordance with the Standards on Auditing (SAs) specifi ed under section 1 43(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsi bilities for the Audit of the standalone financial statements section of our report. We are independen t 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 Act and the Rules there under, 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 qualified opinion on the standalone financial statements.

EMPHASIS OF MATTER

6. We draw attention to the matters detailed below. Our opinion is not modified in respect of these matters.

a. Note No 2.1 of the standalone financial statements, which describes the practice regarding provisioning of interest under section 16 of the Micro, Small& Medium Enterprises, Development Act.

b. Note No 2.30 of the standalone fmancial statements on the confirmation of balance and reconciliation.

KEY AUDIT MATTERS

7. Key audit matters are those matters that, in our professional judgment, were of most signjficance in our audit of the standalone fmancial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opiruon thereon, and we do not provide a separate opinion on these matters.

8. Key Information technology (IT) systems used in financial reporting process

Key Audit Matter Description

The Company's key fmancial accounti ng and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environmen t could result in the financial accounting and reporting records being misstated. Also, the company is using an older version of the SAP ERP Solution implemented long back and hence could not be used now as a full fledged end to end solution, necessitating manual calculations at certain levels for reporting purposes. Data from various other software used by the company, some of which are handling large transaction volumes at multiple locations, are also captured into SAP through integration interfaces. A comprehensive system testing and review of the present software environment is pending. We have identified 'IT systems and controls' as key audit matter because of the use of older version, manual calculation for reporting purpose and the use of multiple software without a recent comprehensive test and review.

How the matter was addressed in our audit

Principal Audit Procedures Performed

We focused on user access management, master management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.

We tested a sample of key controls operating over the information technology in relation to fmancial accounting and reporting systems, design and operating effectiveness of key controls over user access management and preventive controls designed to enforce segregation of duties. For a selected group of key controls over fmancial and reporting systems, we independently performed procedures to determine that these control remained unchanged during the year or were changed following the standard change management process. Other areas that were assessed included security configurations and system interface controls.

We have identified the manual calculation areas and performed additional test to obtain reasonable assurance to form our opinion. We have tested samples in key areas of concern to ensure the effectiveness of the control system in force.

9. Internal Control

Key Audit Matter Description

We have identified material weaknesses in the operating effectiveness of the Company's internal control over financial reporting. These material weaknesses are detailed in the Qual ified Opinion section of our separate report, as presented in Annex ure I . The existence of material weaknesses in the Company's internal control over financial reporting poses a significant risk to the reliability and accuracy of the financial statements. These weaknesses indicate deficiencies in the implementation and monitoring of controls necessary to prevent or detect material misstatements in the fmanciaJ sta tements.

Given the identified material weaknesses, there is an elevated risk that the Company's internal financial controls may fai l to prevent or detect material misstatemen ts in the financial statements. The inadequacy of internal controls increases the probabili ty of errors, omissions, or fraudulent activities not bei ng detected in a timely manner. This could potentially result in financial statements that do not fairly present the financial position, resu lts of operations, and cash flows of the Company.

Due to the significance of these internal control material weaknesses, we consider them to be a key audit matter.

How the matter was addressed in our audit

Principal Audit Procedures Performed

Given the significance of these material weaknesses, we have implemented an audit approach tha t focuses on addressi ng the identified material weaknesses. We performed extensive in depth testing to assess the impact of these material weaknesses on the financial statements and to determine whether any material misstatements were not prevented or detected by the in ternal controls. We also carried out enhanced substanti ve procedures to independently verify balances, transactions, and disclosures that are most susceptible to misstatement due to the identified material weaknesses.

While our audit did not identify any material misstatements in the financial statements, the presence of material weaknesses necessitates that users of the financial statements exercise cau tion and consider the potential impact on the reliability of the reported financial information.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

10. The Company's Board of Directors is responsi ble for the other information. The other i nformation comprises the Directors Report including the annexures to Di rectors' Report, Secretarial audit Report, Management Discussion & Analysis Report and Corporate Governance Report included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Standalone financial statement does not cover the other information and we will not express any form of assurance conclusion thereon.

1 1. In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially mi sstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

1 2. The Company's Management and Board of Di rectors are responsible for the matters stated in section 1 34(5) of the Act with respect to the preparation of these standalone financial statements that gi ve a true and fai r view of the financial position, financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the accounti ng principles generally accepted in India, including the Indian Accounti ng Standards (Ind AS) speci fied under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 201 5, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and

for preventing and detecting frauds and other irregulari ties; selection and application of appropriate accou n ting policies, making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal fmancial control that were operating effectively for ensuring t he accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that gi ve a true and fair view and are free from material misstatemen t, whether due to fraud or error.

1 3. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a goi ng concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either in tends to liquidate the Company or to cease operations, or has no realistic alternative bu t to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE TANDALONE FINANCIAL STATEMENTS

15. Our objectives are to obtai n reasonable assurance about whether the standa lone 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 i f, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the standalone financial statements.

1 6. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audi t. 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 proced ures responsive to those risks, and obtai n 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 con trol relevant to the audit in order to design audit procedures tha t are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsi ble for ex pressi ng our opinion on whether the Company has adequate internal financial controls with reference to the financial statement in place and the operating effecti veness of such controls.

- Eval uate 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 ma terial uncertainty exists related to events or conditions that may cast significant doubt on the Company's abili ty 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 aud i t 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 underl ying transactions and events in a manner that achieves fair presentation.

17. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic deci sions of a reasonabl y knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitati ve factors in (i) planning the scope of our

a udit work and in eval uating the results of our work; and (ii) to evaluate the effect of any identified mis-statements in the financial statements.

1 8. 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 iden tify during our audit.

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

20. 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 reasonabl y be expected to outweigh the public interest benefits of such communicati on.

21. OTHER MATTERS

This report is issued by revising our earlier report dated 06.09.2023 so as to cure the error in the report under section 143 (5) given in Annexure 2 and in certain cross references in the report issued by us, pointed out in the supplementary audit by the Comptroller and Audit General of India.

22. REPORT ON OTHER LEGAL AND REG ULATORY REQUIREMENTS

Further, as req uired by section 143(3) of the Act, we further report that:

a. We have sough t and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audi t;

b. In our opi nion, proper books of account as required by law have been kept by the Company so far as i t 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 thi s Report are in agreement wit h 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. As per notification no.GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, provisions of sub-section (2) of section 164 regarding disqualification of directors are not applicable to the Company;

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 1 to this report. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting, which does not affect our opinion on the standalone financial statements of the Company.

g. As per notification no. GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, Sec 197 of the Act regarding remuneration to directors is not applicable to the Company.

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.

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.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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, no funds (which are material either individually or in the aggregate) 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 the 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.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

23. As required by section 143(5) of the Act, we give in Annexure 2, the report on the Directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and financial statement of the company.

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

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAL1616

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 1 to The Independent Auditor's Report

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

Report on the Internal Fi nancial Controls over Financia l Reporting und er C lause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 (the "Act")

Qualified opinion

We have audited the i nternal financial control s over financial reporting of HLL Lifecare Limited ("the Company") as of 31st March,2023 in conjunction with our audi t of th.e Standalone financial statemen ts of the Company for the year ended on that date.

2. According to the information and explanations given to us and based on our audit, the following material weaknesses in the operating effecti veness of controls have been identified as at March 31 , 2023:

a) Ineffecti ve control over the process of bank reconciliation, which has impaired the efficiency in identification of un-reconciled entries and resolving the same;

b) Deficiency in verifica tion of journal entries before authorization thereof, which could result in erroneous data entry;

c) Deficiencies in the communication of financial information like writing back of excess provision, unclaimed earnest money deposit or creditors, creation of provision etc. by various units with the central office finance department in a timely manner and ineffective dissemination of information on the procedures with regard to addressing the discrepancies found in physical verification of fixed assets, which could impact the timely compilation of fmancial statements; and

d) Non-effectiveness of certain control measures li ke obtaining period ic balance confirmation from debtors and creditors.

3. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possi bility that a material misstatement of the company's annual or interim fmancial statements will not be prevented or detected on a timely basis.

4. In our opinion, except for the effects/possi ble effects of the material weaknesses described above on the achievement ofthe objectives of the control cri teria, the Company has maintained, in all material respects, adequate internal financial con trols over financial reporting and such internal financial control s over financial reporti ng were operating effectivel y as of March 31, 2023, based on the internal con trol over financial reporti ng criteria established by the Com pany considering the essential components of internal control stated in the Guidance Note on Audit of Internal Fi nancial Controls Over Financial Reporting issued by the Institute of Chartered Accountants oflndia.

5. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of aud it tests applied in our audit of the March 31, 2023 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone fmancial statements of the Company.

Management's Responsibility for Internal Financial Controls

6. 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 (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of i ts business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the ti mel y preparation of reliable financial information, as required under the Companies Act, 2013.

A uditor's Responsibility

7. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporti ng based on our audit. We have conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified 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 G uidance Note require that we comply with ethical req uirements and plan and perform the audit to obtain reasonable assurance about whether adeq uate internal financial controls over financial reporting was established and maintained and if such controls operated effecti vely in all material respects.

8. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal fmancial controls system over financial reporting and their operating effectiveness. Our audit of i n ternal financial controls over financial reporting included obtaining an understanding of internal financial controls over fmancial 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.

9. We believe that the audit evidence we have obtai ned is sufficient and appropriate to provide a basis for our qualified audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone financial statements

10. 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 in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (I) pertain to the maintenance of records that, i n 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 statement in accordance with generally accepted accounting principles, and that recei pts 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 timel y 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

II . Because of the inherent li mitations of internal financial controls over fi nancial reporting, including the possibi li ty of coll usion or improper management override of con trols, material misstatements due to error or fraud may occur and not be detected. Also, projections of an y evaluation of the in ternal financial controls over financial reporting to future periods are subject to the risk that the i nternal financial control over financial reporting may become inadequate because of changes in condi tions, or that the degree of com pl iance with the policies or procedures may deteriorate.

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAL1616

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 2 to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)Auditors Report for the year ended 31 March 2023 as per the Directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act 2013

Sl. No.	Directions	Action Taken	Impact on Standalone Financial Statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounti ng transactions ou tside IT system on the i ntegr ity of the accounts along wi th the financial i mplications, i f a ny, may be stated .	The com pany has an ERP (SAP) system and other software for different verticals. The data from other software are also integrated to S AP through interfaces or batch u ploads, which are man ually compiled and u ploaded into SAP, with appropriate checks and controls. All the accounting transactions are processed through IT system. I n our opinion and according to the information and explanation provided to us, we haven't not iced any processi ng of accounting transactions outside the IT system. However, we have identified certain audit risks associated with the IT system, which are descri bed i n the Key Aud i t Matters section of our report, along with our process to address the same. Accordingly, we have not come across any implications of those risks on the integr ity of the accounts.	Nil
2	Whether there is any restructuring of an exist ing loan or cases of wai ver/write off of debts/ loans/interest etc. made by a lender to the company due to the company's inabili ty to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	Accordi ng to the i nfonnation and ex planations gi ven to us, there were no cases of restructuring of any existing loans or cases of waiver/write off of debts/loans/interests etc, made by a lender to the company's i nabili ty to repay the loan, d uring the year.	Nil

	Weather the funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us, funds received by the Company for specific schemes from central/state agencies were properly accounted for/utilized as per its terms and conditions except for the following two cases: 1. The company has refunded the unspent balance of Rs. 0.95 Crs to MoC&I during March 2023 2. Further an additional amount of Rs. 1.64 Crs out of the Grant is to be refunded to MoC&I and this has been included under liability in Note No: 23 others current Liabilities.	Contingent liability for interest of Rs.1.29 Crores is estimated as on 31.03.2023 from the scheduled date of completion 31.03.2018 and is disclosed in notes.

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAL1616

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 3 to the Independent Auditor's Report

(Referred to in paragraph 3 under 'Report on Other Legal and Regu latory Requirements' section of our report of even date)

1. In respect of the Company's Property Plant and Equipment and ln tangible Assets:

a) (A) According to the information and explanation given to us and the records produced to us for our verification, the Company has maintained proper records showing full particulars, i ncluding quantitative details and situation of Property Plant and Equipment and relevant details of right-of-use assets.

(B) According to the information and ex planation given to us, the Company has maintained proper records showing full particulars of intangible assets.

b) We are informed that the Property, Plant and Equipment of the company are physically verified by the management annually and no material discrepancies were noticed on such verification during the year.

c) According to the information and explanation gi ven to us, the records of the Company examined by us and the confirmation received from a financial lender in respect of title deeds deposited with them, the title deeds of all the immovable properties (other than the properties where the company is the lessee and the lease agreements are dul y executed in favour of the company) disclosed in the financial statements are held in the name of the Company.

d) The Company has not revalued any of i ts Property, Plant and Equipment (including Right of Use Assets) or Intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

11. In respect of the Company's Inventories:

a) We are informed that the physical verification of inventory has been conducted by the management annually. According to the information furnished to us and records examined by us no discrepancies of 1 0% or more in the aggregate for each class were noticed on such verification. In our opinion, the procedures of physical verification of inventory followed by management are reasonable and adequate in relation to size of the company and the nature of its business

b) According to the information and explanations given to us, the company has been sanctioned working capital limit in excess ofFive crore rupees, in aggregate, during the year, from banks on the basis of security of current assets the quarterl y returns or statements filed by the company with such banks are generally in agreement with the books of account of the Company and no material discrepancies have been observed.

111 In respect of Investments made, security or guarantees provided, grant of loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties :

a) (A) According to the information and explanation given to us, the company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to its subsidiaries, joint ventures or associates, during the year.

(B) According to the information and explanation given to us, the company has not made any investments, provided guarantees, given security, granted loans and advances in the nature of loans, secured or unsecured, to parties other than subsidiaries, joint ventures or associates, during the year, other than loans provided to employees which are recovered through payroll on a regular basis and interest free ad vance to employees which are being repaid as stipulated.

b) In our opinion and according to the information and explanations given to us, investments made, loan provided, security given and the terms and conditions of the grant of all loans and advances i n the nature of loans are, prima facie, not prejudicial to the Company's interest.

c) As per the information and explanations given to us and the records of the Company examined by us there is no loans or advances in the nature of loan with stipulated schedule of repayment of principal and payment of interest and the temporary loan that was outstanding.

d) As per the information and explanations gi ven to us and the records of the Company examined by us, there are no overdue amounts.

e) As per the information and explanations given to us and the records of the Company examined by us, no loans or advances in the nature of loan granted which has fallen due duri ng the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f) As per the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. No amounts were granted as loan to Promoters or related parties as defined in clause (76) of section 2 ofthe Companies Act, 2013;

iv. According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act in respect of the loans granted during the year and the company has not made any investments during the year. According to the information and explanation given to us, the company has not given any guarantee gi ven or provided an y security.

v. According to the information and explanations given to us and the records of the Company examined by us, no deposits have been accepted by the Company from public during the year.

vi. We have broadly reviewed the cost records mai ntained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion, that prima facie the prescribed cost records have been mai ntained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations furnished to us and according to our examination of the records of the Company in respect of the Statutory dues :

[a] The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, employees' state insurance, provident fund, income tax, duty of customs, duty of excise, cess and other material statutory dues applicable to it. According to the information and explanation given to us there are no undisputed amounts payable in respect of Goods and Service Tax, employees' state insurance, provident fund, income tax, duty of customs, duty of excise, cess and other material statutory dues applicable to the company in arrears as at 31st March 2023 for a period of more than six mon t hs from the date they become payable.

[b] Details of dues of sale tax, income tax, customs duty, goods and service tax, weal th tax, excise duty and cess, which have not been deposited on accoun t of any dispute are as shown below :

Na ture of Statute	Nat ure of Dues	Forum where Dispute pending	Period to wbicb the amount rela tes	Amount involved (Rs. in crs)
Kerala VAT	VAT	KeraJa VAT	2009-1 0	0.04
Delhi VAT	VAT	Delhi VAT	2016-17	0.06
Delhi VAT	VAT	Delhi VAT	2013-14 to 2016-17	0.19
Service Tax	CESTAT (Banga1ore)	The Customs,CentraJ Excise and Service Tax Appellate Tribuna i(CESTAT)	201 2-1 5	18.46
Service Tax	CESTAT (Bangalore)	The Customs,Central Exci se and Service Tax Appellate Tribunal(CESTAT)	201 2-17	8.59
The Customs Act, 1962	Customs	Additional Commissioner of Customs	2015-16	1.12
Commercial Taxes Department	Sales Tax	C T authorities	2013-14	1.66
Commercial Taxes Department	Sales Tax	CST authorities	201 4-15	3.27
Commercial Taxes Department	Sales Tax	CST authorities	2017-1 8	0.17
Commercial Taxes Department	VAT	Kerala VAT Authorities	201 4-1 5	1.34
Commercial Taxes Department	VAT	Kerala VAT Authorities	201 6-1 7	0.49
Commercial Taxes Department	CESTAT	The Customs,Central Excise and Service Tax Appellate Tribunai(CESTAT)	201 0-201 2	0.11
The Income Tax Act,1961	Income Tax	CIT (Appeals)	2012-1 3	0.32
The Income Tax Act,1961	Income Tax	CIT (Appeals)	201 3-14	2.31
The Income Tax Act,l961	Income Tax	CIT (Appeals)	201 4-1 5	0.54
The Income Tax Act,1961	Income Tax	CIT (Appeals)	201 6-17	1.55

The Income Tax Act,1961	Income Tax	CIT (Appeals)	2017-18	0.33
The Income Tax Act,l961	Interest on Dividend Distribution Tax	Rectification petition u/s 154 Assessing officer	2017-18	0.29
KYAT Act	Kerala VAT	KVAT Appellate Tribunal	2008-09	0.07
KYAT Act	Kerala VAT	KVAT Appellate Tribunal	2009-10	0.12
Total				41.03

viii. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

IX. In respect of loans and borrowings of the company

a) According to the information and explanations given to us and as per the records of the Company verified by us, the Company has not defaulted in repayment of loans or borrowings to the banks and there are no loans or borrowings from any other lenders.

b) According to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

c) According to the information and explanations gi ven to us, the Company has not availed any term loans during the year.

d) According to the information and explanations given to us, and the procedures performed by us and on an overall examination of the Standalone Financial Statements of the Company, we report that, prima facie, no funds raised on short term basis have been used by the Company for long-term purposes.

e) According to the information and explanations given to us and on an overall examination of the fman-cial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and ex planations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

X. a) According to the information and explanations given to us and our verification of records, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

b) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year.

XI. a) Based upon the audit procedures performed for the purpose of reporting true and fair view of the fmancial statements and according to the information and explanations given by the management, we report that no fraud by the company or any fraud on the company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Audi tors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

XII. The Company is not a Nidhi company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.

XIII. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 1 77 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone financial statements as req uired by the applicable accounting standards.

XIV. a) The Company has an internal audi t system commensurate with the size and nature of i ts business. However, in our opinion, the reporting and review system need to be strengthened.

b) The internal audit reports of the Company issued til1 the date of the audit report, for the period under audit have been considered by us.

XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.

XV1. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank oflndia as per the Reserve Bank oflndia Act, 1934

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) According to the information and explanations given to us, there are no CIC as part of the Group.

XV11. The Company has not incurred cash losses during the year covered by our audit and the immed iately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year.

XIX. On the basis of the financial ratios disclosed in the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audi t report that Company is not capable of meeting its liabi l ities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viabil ity of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when theyl fall due.

xx. a) According to the information and explanations given to us, and based on our examination, since there is no unspent amount in respect of other than on-going projects, the company is not required to transfer amounts to any of the funds specified in Schedule VII to the Companies Act;

b) According to the i nformation and explanations given to us, and based on our examination, unspent amount of Rs.0.l7 Crores in respect of on-going projects has been transferred to special account in compliance with the provisions of sub-section (6) of section 135 ofthe companies Act.

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAL1616

Place: Thiruvananthapuram
Date : 13 November 2023

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF HLL LIFECARE LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of Standalone financial statements of HLL Lifecare Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 13.11.2023 which supersedes their earlier Audit Report dated 06.09.2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of HLL Lifecare Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to enquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Date: 06.12.2023

(Rajiv Kumar Pandey)
Director General of Audit
(Central Expenditure)

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2023

	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
			(₹ crs)	(₹ crs)	(₹ crs)
A	**ASSETS**				
	Non-current assets				
	Property, Plant & Equipment	3	209.33	214.90	238.98
	Capital work-in-progress	3	1.21	12.55	10.34
	Intangible Assets	3	2.32	2.15	2.76
	Right of Use Assets(ROU)	3	19.66	27.57	35.63
	Investment Property	3	9.03	10.03	11.32
			241.55	267.20	299.03
	Financial Assets				
	i) Investments	4	16.67	16.67	16.67
	ii)Others	5	6.10	1.54	1.41
	Deferred Tax Assets (Net)	6	71.89	70.82	20.02
	Other Non Current Assets	7	-	-	-
	Non-Current Tax Asset (Net)	8	31.76	19.36	6.24
			367.97	375.59	343.37
	Current assets				
	Inventories	9	296.78	199.80	337.69
	Financial Assets				
	i) Trade Receivables	10	904.83	2,703.57	1,965.25
	ii) Cash and cash equivalents	11 a&b	209.94	1,053.11	869.05
	iii) Bank balances other than (ii) above	11.c	498.98	284.31	5.34
	iv) Loans	12	2.69	4.22	26.83
	v) Others	13	30.44	21.20	12.99
	Other current assets	14	164.46	924.11	250.97
			2,108.12	5,190.32	3,468.12
	Assets classified as held for sale	2.41	-	-	0.39
	Cash and Bank Balances of Projects Held under Trust as per contra	2.9	782.86	1,305.75	713.00
	TOTAL ASSETS		**3,258.95**	**6,871.66**	**4,524.88**
B	**EQUITY AND LIABILITIES**				
	₹ Equity				
	i) Equity Share Capital	15	15.54	15.54	15.54
	ii) Other Equity	16	643.30	731.88	352.98
			658.84	**747.42**	**368.52**

	Liabilities				
	Non-current liabilities				
	Financial Liabilities				
	i) Borrowings		-	-	22.84
	ia) Lease Liability (ROU)	2.28	11.80	20.20	30.20
	Provisions	17	-	28.68	7.57
	Other Non Current Liabilities	18	10.00	13.77	-
			21.80	62.65	60.61
	Current liabilities				
	Financial Liabilities				
	i) Borrowings	19	389.85	157.80	302.77
	ia) Lease Liability (ROU)	2.28	8.50	8.06	5.49
	ii) Trade payables	20			
	Outstanding to Micro and Small Enterprises	20.a	85.84	30.41	11.23
	Outstanding Other than Micro and Small Enterprises	20.b	838.28	1,025.79	1,790.82
	iii) Other Financial Liabilities	21	124.27	413.46	218.90
	Provisions	22	103.14	102.32	106.91
	Other Current Liabilites	23	245.57	3,018.00	946.63
			1,795.45	4,755.84	3,382.75
	Advances Received for Projects Held under Trust as per contra	2.9	782.86	1,305.75	713.00
	TOTAL EQUITY AND LIABILITIES		3,258.95	6,871.66	4,524.88
	Corporate Information and Significant Accounting Policies	1			
	Additional Disclosures/Explanatory Notes to Financial Statements	2			

For and on behalf of the Board of Directors
Vide our report of even date attached

Vide our report of even date attached
For Sridhar & Co
Chartered Accountants
Firm No: 003978S

K.Beji George,IRTS
Chairman &
Managing Director
[DIN: 08419099]

Dr.Geeta Sharma
Director (F)
[DIN: 08225251]

Remesh.P
VP(F) & CFO
[ACMA:19552]

Jaikrishnan A.R
Company Secretary
[ACS:14328]

CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
		(₹ crs)	(₹ crs)
Income			
Revenue from operations	24	3,708.01	35,712.36
Other income	25	79.77	26.62
Total Income		3,787.78	35,738.98
Expenses			
Cost of materials consumed	26	259.46	209.54
Purchases of stock-in-trade	27	2,357.97	32,796.02
Changes in inventories of finished goods,work-in-progress and stock-in-trade	28	(105.15)	129.36
Employee benefits expense	29	239.84	250.62
Finance costs	30	17.47	24.11
Depreciation and amortisation expense	3	40.25	44.57
Other expenses	31	759.96	1,665.08
Contract Expenses	2.32	148.79	71.71
Total Expenses		3,718.59	35,191.01
Profit / (Loss) before tax		69.19	547.97

For and on behalf of the Board of Directors

Vide our report of even date attached

Vide our report of even date attached

For Sridhar & Co

Chartered Accountants

Firm No: 003978S

K.Beji George,IRTS
Chairman &
Managing Director
[DIN: 08419099]

Dr.Geeta Sharma
Director (F)
[DIN: 08225251]

Remesh.P
VP(F) & CFO
[ACMA:19552]

Jaikrishnan A.R
Company Secretary
[ACS:14328]

CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

Tax expense:			
Current tax expense	2.40	26.95	191.30
Prior year tax adjustments	2.40	1.57	1.00
Deferred tax	6	0.90	(48.71)
		29.42	143.59
Profit / (Loss) for the year		39.77	404.38
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of Defined Benefit Plans		(7.86)	(8.28)
(ii) Income tax relating to Items that will not be reclassified to profit or loss		1.98	2.08
Total Other Comprehensive Income		(5.88)	(6.20)
Total Comprehensive Income for the year		33.89	398.18
Earnings per share (₹) - Basic (Face value of ₹10/- Share)	1.24	25.60	260.30
- Diluted		25.60	260.30

For and on behalf of the Board of Directors

Vide our report of even date attached

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Statement of Changes in Equity for the Year ended 31st March, 2023							
A. Equity Share Capital							
							₹ crs
Current reporting Period	Balance at the beginning of April 1, 2022	Changes in equity share capital due to Prior period errors	Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of March 31, 2023
	15.54		-				15.54
Previous reporting period	Balance at the beginning of April 1, 2021	Changes in equity share capital due to Prior period errors	Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance at the end of March 31, 2022
	15.54		-				15.54
B. Other Equity							
1.Current Reporting Period							
Particulars		Reserves and Surplus				Other Comprehensive Income	Total
	Shares pending allotment	Capital Reserve	Dividend Equalisation Reserve	General Reserve	Retained Earnings		
Balance as on April 01, 2022	-	-	1.30	257.12	517.22	(22.26)	753.38

Changes in accounting policy or prior period errors					(21.50)		(21.50)
Restatements done till 2020-21					(17.65)		
Income from Services (Refer Note a.)					49.96		
HCS Direct Expenses (Refere Note b.)					(46.81)		
Interest on Deposits (Refer Note c.)					(2.88)		
Saheli Product Subsidy (Refer Note d.)					(6.26)		
Other Misc Expense (Refer Note e.)					2.66		
Rates and Taxes (Refer Note f.)					(0.50)		
Right of Use Assets (Refer Note g.)					(0.01)		
Restated balance at the beginning of the current reporting period	-	-	1.30	257.12	495.72	(22.26)	731.88
Total comprehensive income for the year					39.77	(5.88)	33.89
Dividend					(122.47)		(122.47)
Transfer to retained earn-ings							-
Balance at the end of March 31, 2023			1.30	257.12	413.02	(28.14)	643.30

2.Previous Reporting Period							₹ crs
Particulars		**Reserves and Surplus**				**Other Comprehensive Income**	**Total**
	Shares pending allotment	**Capital Reserve**	**Dividend Equalisation Reserve**	**General Reserve**	**Retained Earnings**		
Balance as on April 01, 2021	**-**	**-**	**1.30**	**257.12**	**128.28**	**(16.06)**	**370.64**
Changes in accounting policy or prior period errors					**(17.65)**		**(17.65)**
Income from Services (Refer Note a.)					138.98		
HCS Direct Expenses (Refere Note b.)					(130.23)		
Interest on Deposits (Refer Note c.)					(26.36)		
Right of Use Assets (Refer Note g.)					(0.04)		
Restated balance at the beginning of the current reporting period			**1.30**	**257.12**	**110.62**	**(16.06)**	**352.98**
Total comprehensive income for the year					404.38	(6.20)	398.18
Dividend					(19.29)		(19.29)
Transfer to retained earnings							-

Balance at the end of March 31, 2022			**1.30**	**257.12**	**495.72**	**(22.26)**	**731.88**

During the year 2022-23, the company received the mininum assurance revenue pertaining to NHM Maharastra project for the period from February 2018 to June 2022. The revenue is considered in the respective years. (Note. 2.33)

The expenditure to service provider pertaining to the minimum assurance received from NHM Maharastra project is considered in the respective years. (Note 2.33)

The interest earned from MCS project deposits considered as income in previous years are now reversed (Note 2.42)

Saheli Product & Promotional subsidy considered as revenue in previous year is reversed as revenue recognition criteria not met

Legal expenses & Penalty provision on export supplies in previous year reversed as the legal expenses are not incurred and as the matter was sub-judice included under contingent liability

WCT receivable omitted to account as Rates & Taxes based on demand notice in 21-22 , now accounted retrospectively.

Modifications in ROU lease liability and the ROU lease assets due to change in Rent retrospectively in Kakkanad Factory , Cochin

For and on behalf of the Board of Directors

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Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023		
Particulars	**For the Year Ended March 31, 2023**	**For the year ended March 31, 2022**
	₹ crs	**₹ crs**
A. Cash flow from operating activities		
Profit before tax	**69.19**	**547.97**
Adjustments for:		
Depreciation and amortisation expenses	40.25	44.57
Unrealised foreign currency gains and losses	(3.15)	1.06
Loss on sale of Property, plant and equipment	0.07	0.06
Profit on sale of Property, plant and equipment	(0.11)	(0.07)
Dividend income	(10.00)	(8.00)
Finance costs	17.47	24.11
Interest income	(26.46)	(6.03)
Operating profit / (loss) before working capital changes	**87.26**	**603.67**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(96.98)	137.89
Trade receivables	1,799.89	(739.39)
Short-term loans and advances	1.52	22.59
Other current assets	750.41	(746.97)
Changes in other non-current assets	(59.34)	(1.05)
Changes in Non Current Assets & Liability (Leases)	(8.07)	0.62
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(129.75)	(745.85)
Other current liabilities	(3,062.49)	2,262.96
Short-term provisions	(35.73)	(1.93)
Cash generated from operations	**(753.28)**	**792.55**
Net income tax (paid) / refunds	**18.11**	**(146.75)**
Net cash flow from / (used in) operating activities (A)	**(735.17)**	**645.80**
B. Cash flow from investing activities		
Capital Work in Progress	11.34	(2.21)

Purchase/Sale of PPE and intangible assets	(25.78)	(18.58)
Interest income received	26.46	6.03
Dividend income received	10.00	8.00
Changes in other Financial Assets	(0.14)	-
Share application money pending allotment	(4.43)	-
Investments in bank deposits (having orginal maturity of more than three months)	(214.67)	(278.97)
Net cash flow from / (used in) investing activities (B)	**(197.21)**	**(285.73)**
C. Cash flow from financing activities		
Repayment of non current borrowings	-	(42.39)
Repayment of other longterm liabilities	(2.90)	21.11
Repayment of current borrowings	-	14.08
Finance cost paid	(17.47)	(24.11)
Dividend paid	(122.47)	(19.29)
Net cash flow from / (used in) financing activities (C)	**(142.84)**	**(50.59)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,075.22)	309.48
Cash and cash equivalents at the beginning of the year	895.31	585.83
Cash and cash equivalents at the end of the year	**(179.91)**	**895.31**
Reconciliation of Cash and cash equivalents :		
Cash and cash equivalents	(179.91)	898.15
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind AS 7 Statement of Cash Flow	0.00	2.83
Net Cash and cash equivalents (as defined in Ind AS 7 Statement of Cash Flow) included in Note 1.10	**(179.91)**	**895.31**
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	3.01	2.11
(b) Balances with banks		
(i) In Deposit account	176.44	976.25
(ii) In current accounts	17.89	14.88
(iii) Funds earmarked for CSR	-	-

(iv) Funds earmarked for Projects	6.12	57.82
(v) In EEFC accounts	6.48	2.05
(vi) In cash credit accounts	(246.05)	(89.48)
(vii) In overdraft accounts	(143.80)	(68.32)
	(179.91)	**895.31**

1) The above Cash Flow Statement has been prepared under the Indirect method set out in the Ind AS-7.
2) The previous year's figures have been re-grouped whereever necessary in order to confirm to this year's presentation.
3) Cash Equivalents at the beginning and end of the year includes Bank Overdraft and Cash Credit repayable on demand
4) Transactions of project funds held under Trust and balance of ₹782.86 crs (previous year ₹1,305.75 crs)are not included in the Cashflow

5) Changes in Liabilities arising from Financing Activities					` crs
Particulars	**As at 1st April 2022**	**Cashflows**	**Non - Cash Changes**		**As at 31st March 2023**
			Fair Value Adjustment	Others on account of Acqusition	
Non current Borrowings (including current maturity of Non - Current Borrowings)	-	-			-
Current Borrowings	157.80	232.05			389.85
	157.80	232.05	-	-	389.85

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Note 1 : Corporate Information and Significant Accounting Policies

Corporate information

HLL Lifecare Limited, incorporated in the year 1966, is a MiniRatna Enterprise, fully owned by Government of India, domiciled in India and governed by the provisions of the Companies Act, 2013. HLL Lifecare Ltd was converted into a Public Limited Company with effect from 21st February 2012. The Company's registered office is situated at HLL Bhavan, Poojapura, Thiruvananthapuram, Kerala, India. The Company is engaged in the manufacturing and marketing of a range of Contraceptive products, Hospital products, Women Health Pharma products, providing Consultancy & Contract services for healthcare infrastructure, Procurement and Diagnostic services. The Company caters to both domestic and international markets.

The stand-alone financial statements were approved for issue in accordance with a resolution of the Board of directors on 22ndAugust 2023, read with the decision given by board in the meeting held on 28th August 2023 that the standalone financials statements be evenly dated to coincide with the consolidated financial statements.

Recent accounting Pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective from 1st April, 2023:

a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.

b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in accounting estimate' has been replaced by revised definition of 'accounting estimate'.

c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

1A Significant accounting policies

1.1 Basis of Preparation

These standalone financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for:

i. Certain financial instruments that are measured at fair values at the end of each reporting period;

ii. Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;

iii. Derivative financial instrument and

iv. Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Crores, except otherwise indicated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IndAS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

1.2 Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current or non-current classification of assets and Liabilities.

Classification of Assets and Liabilities into Current/Non-Current:

For the purpose of Balance Sheet, an asset is classified as current if:

i. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

ii. It is held primarily for the purpose of trading; or

iii. It is expected to realise the asset within twelve months after the reporting period; or

iv. The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

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

(iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss if any.

Cost directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use as intended by the management. Cost includes all incidental expenditure net of tax credits wherever applicable.

The cost includes interest on borrowings (calculated at the weighted average rates) and administrative expenses specifically attributable to the acquisition of such assets.

Revenue expenses incurred for identification of new projects/ new line of businesses are treated as capital work in progress. This will be absorbed into the project cost in the first year of commencing the business. If the new project/ new line of business does not materialize within a period of three financial years, the entire expenses shall be charged to Revenue in the 3rd year. Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Expenditure during construction period is included under Capital Work-in-Progress and the same is allocated to the respective items of Property, Plant and Equipment on the completion of construction. In respect of pharmaceutical manufacturing facility, expenditure incurred are included under Capital Work in Progress till the validation process is completed.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Spare parts, stand by equipment and servicing equipment having individual value of ₹5 lakh or more and are expected to be used for a period more than 12 months are capitalized on their acquisition.

De Depreciation on Property, Plant and Equipment other than Freehold land and properties under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Further depreciation has been charged on Straight line method for all assets under Plant & Machinery and written down value method for other assets (except intangible asset and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice.

The estimated useful life as per Companies Act 2013 are as follows:

Category of Asset	**Estimated Useful life**
Leasehold land	Period of lease
Factory Buildings	30 years
Buildings other than Factory Buildings	60 years
Plant & Machinery	15 years or Terms of agreement of business whichever is earlier
ECG, X-Ray, CT scan, MRI machines etc	13 years
Furniture and Fixtures	10 years or Terms of agreement ofbusiness whichever is earlier
Motor Vehicles	8 years
Office equipment	5 years
Computers & Laptops	3 years
Laboratory equipment	10 years or Terms of agreement of business whichever is earlier
Electrical Installations	10 years

The depreciation methods, useful lives and residual values are reviewed periodically at each financial year end.

Components of main assets were identified and determined separately, if they have a useful life that is materially different from that of the principal asset. 10% of the original cost of the principal asset has been considered as threshold limit to determine whether a component is material or not.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Additions toProperty, Plant and Equipment costing ₹5000/- each or less are fully depreciated during the year of purchase, irrespective of the date of addition retaining the residual value of assets.

Machinery spares acquired with the equipment are depreciated using the same rates and method applicable for the original machinery. In the case of Machinery spares procured separately for future use, rate equivalent to accumulated depreciation for the expired life of the relative machinery are charged in the year of acquisition along with depreciation for the year.

De-recognition:

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit andLoss.

1.4 Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied, or part occupied by the Company for its operations, is classified as Investment Property.

Investment Property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to revenue when incurred.

When a property given on rent is vacated and the management's intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings under Property, Plant and Equipment.

Depreciation onInvestment Properties other than Freehold land and properties under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Investment properties are depreciated using the written down value method over their estimated useful lives which is consistent with the useful lives followed for depreciating Buildings under Property, Plant and Equipment.

An Investment Property is derecognised on disposal or when the Investment Property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When part of an Investment Property is replaced, the carrying amount of the replaced part is derecognized.

Gains or losses arising from the retirement or disposal of Investment Property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of Profit and Loss.

1.5 Intangible Asset

Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred.

Development activities involve a plan or design for the production of newor substantially improved products and processes.

An internally-generated intangible asset arising fromdevelopment is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;

- future economic benefits are probable; and
- the Company intends to and has sufficient resources/ability to complete development and touse or sell the asset.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in Profit and Loss as incurred.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Intangible assets with finite useful lives are capitalized and carried at cost less accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortization is recognized on a straight-line basis over their estimated useful lives.

The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 years on pro-rata basis. License fee paid is amortized equally over the agreement period.

Trademark/Patents are amortized over a period of 5 years.

Trademark Expenses

Expenses incurred on trademark registrations will be treated as Capital work in progress and will be capitalized under 'intangible assets' when licenses are received. Subsequent expenditure incurred on those licenses will be recognized as revenue expenses in the period in which such expenses are incurred.

The residual values estimated useful life and method of depreciation/amortization of Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets:

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in Profit and Loss when the asset is derecognized.

1.6 Leases

Company as a lessee:

The Company's lease assets primarily consist of land, buildings, plant and machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract is or contains a lease, the Company assesses whether:

i. The contract involves the right to control the use of an identified asset
ii. The Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and
iii. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease be fore the end of the lease term. ROU asset sand lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost tosell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and Right of Use asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

1.7 Impairment of Non-financial assets

The Company's non-financial assets are assessed at each reporting date to determine whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated, and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

Recoverable amount is the higher of an asset's fair value less costs of disposal and itsvalue in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

In the case of projects under development, the future cash flows are estimated based on the most recent budgets or forecasts relating to the project, adjusted to the current market conditions.

1.8. Investments in Subsidiaries and Joint venture

The Company measures all its investments in subsidiaries, Joint ventures and Associates at cost in accordance with Ind AS 27.

1.9. Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods and are measured at the lower of cost and net realisable value.

Cost of raw materials, stores, spares, consumable tools and traded goods comprises cost of purchases and includes taxes and duties and is net of eligible tax credits. Cost of work-in-progressand finished goods comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overheads, which is allocated on a systematic basis. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition.

The weighted average formula is used for the valuation of raw materials, stores and spares. Work-in-progress, materials in transit/under inspection is carried at actual process cost. Unused Loose Tools are revalued every year taking into account the useful life of the tools and carried at the revalued cost. Finished goods manufactured/goods purchased for trading are valued at lower of cost/net realizable value, including taxes and duties net of eligible tax credits. Manufactured / traded finished goods in stock other than pharmaceutical products whose shelf life expires within three months from the reporting date are taken at NIL value.

The provision for loss if any in respect of slow-moving items of materials/finished products are accounted after obtaining the technical opinion regarding the usability/marketability. The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realizable value represents the estimated selling price in the ordinary course of business for inventories less all estimated costs of completion and costs necessary to make the sale.

1.10. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (usually having a maturity period of 3 months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of cash flow statement as per Ind AS 7, Cash Equivalents also include Bank Overdraft and Cash credit which are repayable on demand.

1.11. Financial Instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in the statement of profit and loss.

Classification and subsequent measurement

Financial assets

1. On initial recognition, a financial asset is classified as measured at

- Amortised cost
- Fair value through other comprehensive income
- Fair value through profit and loss

II. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL)

The asset is held within a business model whose objective is to hold assets to collect contractual flows; and The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

III. A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

IV. All financial assets not classified as measured at amortised cost or as measured at FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

V. Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

Financial assets at FVOCI – These assets are subsequently measured at fair value, with fair value changes recognised in other comprehensive income. Income, including any interest or dividend,isrecognised in statement of profit and loss.

Financial assets at amortised cost – These assets are subsequently measured at amortisedcost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit and loss.

VI. Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing its financial assets.

Financial liabilities

I. Financial liabilities are classified as measured at amortised cost or FVTPL

II. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

III. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on de-recognition is also recognised in profit and loss.

De-recognition

Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognised in the statement of profit and loss.

Financial liabilities

The Company de-recognisesa financial liability when its contractual obligations are discharged or cancelled, or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the statement of profit and loss.

The Company also de-recognisesa financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted Cash flow analysis,available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value and such value may never actually be realised.

Offsetting

Financial assets and financial liabilities are offset and net amount presented in the Balance Sheet when, and only when there is a legally enforceable right to set off the amounts and it intend either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

Impairment of financial assets

The Company recognises loss allowance for expected credit loss ('ECL') on financial asset which are not measured at FVTPL. At each reporting date, the Company assess whether such financial assets carried at amortised cost / FVOCI are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 month expected credit losses for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to life time expected credit losses.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the ECL which results from default events that are possible within 12 months after the reporting date.

Measurement of expected credit losses

The Company has adopted a model, as permitted under Ind AS 109 "Financial Instruments", for measuring lifetime expected credit loss "ECL" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted estimate of credit losses.

The impairment losses and reversals are recognised in the statement of profit and loss.

Loss allowance for financial assets measured at amortised cost / at FVOCI are deducted from gross carrying amount of the assets. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

1.12. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on audited financial statements.

1.13. Revenue recognition

Sale of goods:

The Company generates revenue from a range of its products viz., Contraceptives, Hospital products, Women Healthcare Pharma and Personal hygiene products.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Rendering of services:

The Company generates revenue from Healthcare Services, Laboratory and Diagnostic Services, Retail Pharmacy Services, Infrastructure Development services, Project Management Consultancy and allied services, Facility Management Services, and Procurement Consultancy Services.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. In respect of revenue from services the Company follows recognition over a period of time.

Other Operating Revenues:

Other operating revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognized when the right to receive the income is established as per the terms of the contract.

Duty drawback/export incentive in respect of export sales are accounted in the year of export.

1.14. Other Income

Interest income if any for delayed realization from Trade debtors as stipulated in invoices is not recognized, unless realized. Income other than the above are accounted on accrual basis.

1.15. Foreign currency transactions and translations

The Company's financial statements are presented in Indian Rupee (₹), which is also its functional currency.

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Profit and Loss, except exchange differences arising from the translation of qualifying cash flow hedges to the extent that the hedges are effective, which are recognised in OCI.

1.16. Government grants

Government grants are recognized only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants in the nature of revenue items are recognized in the statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Revenue grants/subsidy (other than product subsidy) relating to sales are disclosed separately under other operating revenues, whereas product subsidy is disclosed under sales and services.

In respect of grants against depreciable asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant, which are recognized as income in the statement of Profit and Loss over the period and the proportion in which depreciation is charged. Government grants related to assets are presented in the Balance sheet as Deferred Grant.

When the Company received grant of non-monetary assets, the asset and the grant are recorded at fair value and recognised in the profit and loss account over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

A Government grant that becomes repayable is accounted for as a change in accounting estimate (Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors). Repayment of a grant related to income is first applied against any unamortised deferred credit recognised in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or when no deferred credit exists, the repayment is recognised immediately in Profit and Loss.

Repayment of a grant related to an asset shall be recognised by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised in Profit and Loss to date in the absence of the grant shall be recognised immediately in Profit and Loss.

1.17. Employee benefits

Defined Benefit Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the GratuityPlan') covering eligible permanent and temporary employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The contributions are invested in a scheme withthe Life Insurance Corporation of India as permitted by Indian law.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income and are not reclassified to Profit and Loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

Compensated Absences

The Company has a policy on compensated absences only to permanent employees which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Code on Social Security,2020 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. 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.

Defined Contribution Plans

Provident Fund

Eligible employees of Company receive benefits from a provident fund, a post –employment benefit under which both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary to PF authorities and the Company will have no legal or constructive obligation to pay further amounts.

ESI and Other Contribution Plans

Payments to other defined contribution plans i.e., superannuation fund, Employee State Insurance and other funds are determined based on the schemes under the relevant statutes and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees. The amounts are paid to respective government authorities and the Company has no further legal or constructive obligations.

Defined contribution plan also includes the Contributory pension scheme effective from 1-4-2011 for the permanent employees who are on the rolls of the Company as on 9-10-2012. Company contributes 3% of basic plus DA with a matching contribution from employees as per the pension scheme. The pension scheme is managed by LIC of India. The Company has no further legal or constructive obligation beyond the contribution.

Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by the employees.

Short-term and other long-term employee benefits:

A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Termination Benefits:

Payments made under Voluntary Retirement Scheme are charged to Statement of Profit and Loss on incurrence.

1.18. Borrowing costs

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

Interest on loan taken specifically for acquiring assets/group of assets, are proportionately allocated to respective assets based on asset value.

All other borrowing costs are recognized in Profit and Loss in the period in which they are incurred.

1.19. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

1.20. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable Profit and Loss at the time of the transaction.
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax positions:

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

1.21. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent assets are not generally recognized in the financial statements, since this may result in the recognition of income that may never be realised. Contingent assets, whose realization of income is probable, are disclosed separately. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

1.22. Prepaid Expenses

Prepaid expenses of items of ₹10000/- each and below are charged off to the revenue.

1.23.Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal.

Noncurrent assets held for sale are not depreciated or amortised.

1.24. Earnings per Share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Basic and Diluted Earning per share		
	31.03.2023	31.03.2022
Numerator Net Profit ₹ In Crs		
Profit after Tax as per Statement of Profit & Loss	39.77	404.38
Denominator - Average No. of Equity Shares outstanding the period	1,55,35,000	1,55,35,000
No. of Shares - Basic & Diluted	1,55,35,000	1,55,35,000
Earnings per share (₹)		
Basic (Face Value of ₹ 10/- per share)	25.60	260.30
Diluted (Face Value of ₹ 10/- per share)	25.60	260.30

1B. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with Ind AS, requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.

The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known / materialized.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans / Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

Revenue

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Income Tax

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

2. Explanatory Notes/Additional Disclosure forming part of Standalone Financial statements for the year 2022-23

2.1 Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006 to the extent information available with the Company is as under:

(₹ in Crs)

S. No:		31.03.2023	31.03.2022
(a)	The principal amount remaining unpaid at the end of the year	85.84	30.41
(b)	The delayed Payments of Principal amount paid beyond the appointed date during the year	NIL	NIL
(c)	Interest actually paid under Section 16 of the MSMED Act*.	NIL	NIL
(d)	Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms.	NIL	NIL
(e)	Total Interest accrued during the year and remaining unpaid.	NIL	NIL

2.2. The extent of ownership in Subsidiary/Joint Venture Companies are as follows:

Name of the Company	Country of I ncorporation	Relationship	Ownership Interest as on 31.03.2023
Goa Antibiotics and Pharmaceuticals Limited (GAPL)	India	Subsidiary	74%
HLL InfraTech Services Limited (HITES)	India	Subsidiary	100%
Life Spring Hospitals Pvt. Ltd	India	Joint Venture	50%
HLL Mother & Child Care Hospitals Limited	India	Subsidiary	100%

2.3. The Company had received from M/s. Female Health Company (UK) equipments valuing ₹0.89 Crores on loan basis for the manufacture of female condom FC2 Nitrile version at its unit located in Cochin Export Processing Zone. No accounting entries have been passed as the property & title of the equipment supplied vests with M/s. Female Health Company, U.K.

2.4. Property, Plant and Equipment includes Unipill Plant, a WHOGMP (Geneva) compliant facility, set up by the Company at Kanagala Belagavi. The Unipill products are registered with six foreign countries where registration is mandatory and the Company is in the process of registering these products in more countries. The revenue generated during the year is Rs 1.32 Crores.

The carrying value of the asset is lower than the recoverable value and hence no impairment is recognized on the Unipill Plant.

2.5. Borrowing costs capitalised during the year is Nil. (Previous Year is ₹ Nil)

2.6. As per Schedule VII of the Companies Act, 2013, every Company with net worth of ₹ 500 Cr or more, or with a turnover of ₹1000 Cr or more or having a net profit of ₹5 Cr or more is required to spend at least 2% of the average net profits (Profit before tax) of three immediately preceding financial years towards CSR (Corporate Social Responsibility).

The following are the details for the financial year 2022-23.

(a)Gross amount to be spent as per CSR Rules 2022-23 ₹ 5.25 Crs

(b)CSR Budget approved by the board to be spent during the year: - ₹ 5.66 Crs.

(c)Actual Amount spent during the year on: -

		In cash (₹ Crs)
(i)	Construction/acquisition of any asset	-
(ii)	On purposes other than (i) above	5.32
	Total	**5.32**

(d)Details of ongoing projects (in line with amendments to 135(5) and 135(6)

Particulars	Amount (in Crs)
Opening balance as on 01.04.2022	Nil
Amount earmarked as ongoing projects	0.17
Closing balance as on 31.03.2023	0.17
With Company (to be remitted to one of the funds specified in Schedule VII of the Companies Act 2013 within 6 months of the end of the Financial Year)	Nil
In separate CSR unspent account	0.17

(e) *Shortfall at the end of the year: -Nil

(f)Nature of CSR Activities & Reason for Shortfall: -

(Rs in Crs)

Sch No	Schedule VII	Expense	Actually spent	Shortfall/ Ongoing	Reason
(i)	Eradicating hunger, poverty and malnutrition and making available safe drinking water	4.43	4.43	-	
(ii)	promoting education	0.61	0.61	-	
(iii)	promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens	0.40	0.23	0.17	Rs.0.17 Crs Carried forward as Ongoing project

(iv)	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources	0.01	0.01	-	
(vii)	training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	-	-	-	
(x)	Rural development projects	0.02	0.02	-	
(xii)	Disaster Management	0.02	0.02	-	
Total		**5.49**	**5.32**	**0.17**	

2.7. Insurance premium includes instalment of medical insurance premium paid for post-retirement medical benefits.

2.8. During the year there was no payment towards voluntary retirement scheme.

2.9. The Company has been undertaking the Procurement Projects & Infrastructure Development Projects under agreements with Government and its agencies, for which separate books are maintained under trust. The assets and liabilities of these projects are with the Government and its agencies allotting the projects and the inspection and audit are their responsibility. In accordance with the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India, the summary of these Assets & Liabilities are disclosed as Annexure I only for information purpose and the cash and bank balances of these projects held by the Company under trust and the corresponding liabilities are disclosed as contra items in the Balance Sheet.

2.10. Govt. of India has accorded "captive status" to HLL vide Order dated 26.08.2005 for the supply of condoms and other Contraceptive products to the Ministry of Health & Family Welfare (MoHFW) and same is subjected to review for extension from time to time. The latest extension granted on captive status of HLL is valid upto 31.03.2024.

The Company supplies Contraceptive products (Condoms, Oral Contraceptive Pills, EC Pills, Copper-T and Tubal Rings), Pregnancy Test Kits and Sanitary Napkins to the Ministry. As per the Cabinet order and its subsequent amendments, the Ministry shall place the supply orders on HLL in the beginning of the year at the provisional rates based on the L1 rates of the previous year. Subsequently, the L1 rates determined through the open tender shall be made applicable to HLL as the final rate for its supplies during the same financial year. In the absence of L1 rate determination through the tender process, reference shall be made either to Tariff Commission (TC) of the Ministry of Commerce & Industry or Cost & Accounts Branch (CAB) of the Ministry of Finance for determining the fair price for the supplies from HLL.

MoHFW, based on the representation by the Company has referred to CAB for fair price fixation of Condoms supplied by HLL during 2019-20 and the study report is submitted. As per the price communicated by MoHFW, HLL is eligible for a minimum of Rs. 3.88 Crs as price escalation and this is recognized as unbilled revenue during the year. CAB in their report has made a differentiation in the fixed cost component of price as normal cost and abnormal cost. Fair price was recommended excluding the abnormal cost empowering MOHFW to consider price including abnormal cost as it deems fit. MoHFW has accepted the price excluding abnormal cost. HLL has represented to the Ministry to consider the alternate price in the CAB report, which is based on the actual cost incurred by the Company for HLL to submit the supplementary bills.

2.11. M/s. Life Spring Hospitals (P) Limited was formed in February 2008 as a Joint Venture entity with 50:50 equity shareholding between HLL Lifecare Ltd. [HLL] and M/s Acumen Fund Inc., USA [Acumen]. This JV was formed with the objective of providing High Quality, Affordable Maternal Health Care for Low-Income Women across India. It operates small-sized (20 bed) maternity hospitals in the proximity of urban slums. The hospitals also provide pediatric care (including immunizations), diagnostic and pharmacy services, and health care education to the communities in which they are located. At the end of the FY 2022-23 (upto 31.03.2023), total investment by HLL in the equity share capital of the JV was ₹9.51 Crores.

Presently, the JV is running a cluster of ten hospitals in Hyderabad.

The JV Company turned profitable since 2016-17 and reported profits consecutively except for 2020-21 due to COVID pandemic.

2.12. CA has vide order dated 22.03.2021 approved the demerger of HLL Biotech Ltd (HBL), the 100% subsidiary formed by HLL for setting up the Integrated Vaccine Complex as approved by CCEA. HLL Biotech Ltd has ceased to be the subsidiary w.e.f the appointed date of the scheme ie., 01st April 2019 and HBL has become a CPSE under the direct ownership of Govt. of India. Accordingly, the share capital invested by GoI and corresponding investment made by HLL is reduced to the tune of Rs. 274.88 Crores. The initial investment of Rs. 1.00 Lakh made by HLL is shown as receivable from Govt of India in Note 13- Current Financial Assets- Others. HLL Vide Letter No.HLL/CS/Demerger-HBL dated 23rd August 2022, requested Government of India for the refund of Rs.1.00 lakh invested by HLL in the paid-up share capital of HBL

2.13. he Company is in possession of 430.10 acres of land since January 2008, allotted on lease for a period of 99 years from the Central Leprosy Teaching Research Institute (CLTRI), Tamil Nadu, under directives from Ministry of Health & Family Welfare, Govt. of India. The Public Investment Board (PIB), Ministry of Finance, Govt. of India in its meeting held on 10.02.2012 recommended and as approved by Cabinet Committee of Economic Affairs (CCEA), 100 acres of land was earmarked out of the 430.10 acres in possession with the Company at Chengalpattu for setting up of the Integrated Vaccine Complex (IVC), for a value of ₹10.12 crores (56 acres at ₹16.50 lacs per acre and 44 acres of hillock @ ₹ 2 lacs per acre).

M/s HLL Biotech Limited (HBL), was formed as 100% subsidiary of HLL for setting up the IVC, in line with the PIB recommendations. As the legal formalities of transfer of 100 acres of land in the name of HLL and in turn to HBL was not completed, the Company had, on 20th February 2014, sub-leased the 100 acres identified for the purpose, in favour of HBL at ₹1/- for 94 years.

Out of 100 acres land leased to HLL Biotech Limited, 3.38 Acres of land is given on lease to Tamil Nadu Generation and Distribution Corporation Ltd [TANGEDCO] (Subsidiary of TNEB Ltd.) for a period of 92 years, on an annual lease rent of ₹1/- only. The sub-lease between HBL and TANGEDCO was executed on 19th September 2016.

Subsequent to the Scheme of arrangement of Demerger, HBL had vide letter dated 19th October 2021 requested HLL to issue a letter indicating transfer of leasehold rights of 100 acres of land relating to IVC project situated at Chengalpattu, Tamil Nadu. In response, HLL had by letter dated 30th October 2021 informed HBL that according to Para 3.4 of the Demerger Scheme approved by the MCA by its Order dated 22nd March 2021 the leasehold rights of 100 acres of land relating to IVC project situated at Chengalpattu, Tamil Nadu stands transferred to HBL. A copy of this letter was marked to CLTRI for information.

Further, HLL and HBL have executed a Memorandum of Understanding (MoU) pursuant to the Scheme of arrangement at Sub-Registrar Office (SRO), Chengalpattu on 6th Jan 2023. The MoU was submitted to the office of Sub-Registrar, Chengalpattu on the aforesaid date for registration under Section 8G of the Indian Stamp Act by requesting for waiver of stamp duty. The registered copy of the MoU from the SRO, Chengalpattu is awaited.

2.14. Based on the Cabinet Approval to sub-lease the 330.10-acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to the Company in 2009, for setting up Medipark, HLL Medipark Limited (HML) was incorporated as a separate 100% subsidiary of HLL on 20th December 2016. The said 330.10-acre land was allotted to HML on sublease basis during March 2017. HLL has invested Rs. 6.40 Crores towards Equity share capital in HML.

Consequent to the approval of the scheme of arrangement of Demerger of HML from HLL by MCA vide order dated 31st March 2021, HLL Medipark Limited has ceased to be the subsidiary w.e.f ,01st April 2019. As per the scheme, Govt. of India shall pay HLL Lifecare Limited the consideration of equity investment made by HLL in HML of ₹ 6.40 Crores. Accordingly, the investment made by the Company in HLL Medipark Limited is disclosed as Receivable from Govt. of India under Note -Note 13. Current Financial Assets - Others

HLL has requested Ministry of Health and Family Welfare to take appropriate action(s) necessitated by the Demerger of HML and based on the actions taken by the Ministry, HML has become a CPSE under the direct ownership of the Government of India.

According to Clause 3.4 of the Scheme of Demerger of HML from HLL approved by the Ministry of Corporate Affairs all rights in any immovable property forming part of the demerged Undertaking shall stand transferred and be vested in the resulting Company ie., HML. In spite of this, considering the fact that land is an immovable property, re-documentation may have to be done to complete the process of transfer the lease directly in the name of HML.

As in case of HBL referred in para 2.13, HLL had proposed to TIDCO to execute necessary documentations for change in revenue records of the 330.10 acres of land on 04th December 2022. TIDCO in turn informed MOHFW that they are not in a position to execute the documents since, the Chief Secretary, GoTN had requested MOHFW, GoI to transfer the land to Govt. of Tamil Nadu and take back the management of HML by MOHFW.

2.15. The Cabinet Committee on Economic Affairs (CCEA), Government of India, in its meeting held on 1st November 2017 has granted 'in-principle' approval for hiving off the Vaccine venture and Medipark project of HLL Lifecare Limited [HLL] as separate SPVs with 100% equity holding by Govt. of India within a period of three months and thereafter sale of 100% of Government's equity in HLL via a two-stage auction process. The Department of Investment and Public Asset Management (DIPAM), the nodal agency coordinating the disinvestment process selected (1) M/s. Price Water House Coopers Pvt. Ltd. (PWC) as Transaction Advisor (TA) and (2) M/s. Crawford Bayley& Co. as Legal Advisor (LA) through competitive bidding process. M/s. Adroit Technical Services Pvt. Ltd was selected as Asset Valuer (AV) by the Administrative Ministry through a competitive bidding process.

The Notification inviting Expression of Interest (EOI) from interested investors for the proposed strategic disinvestment of HLL together with Preliminary Information Memorandum about HLL was published by the TA on 14thDecember 2021.

After publishing HLL PIM and invitation for EOI, Department of Investment and Public Asset Management, Ministry of Finance, Government of India [DIPAM] published four (4) corrigenda on the websites of DIPAM, Ministry of Health & Family Welfare, Transaction Advisor and HLL.

According to the schedule published by the TA, last date for submission of EOIs through online mode was 14th March 2022 and the last date for submission of physical copy of EOI was 21st March 2022. The due date for TA to give intimation to Qualified Interested Bidders (QIB) was 28th March 2022. From the beginning of July 2022, TA started gathering information and documents relating to HLL for making them available to interested short-listed bidders through Virtual Data Room (VDR).

Periodic review meetings are organized by the Department of Investment and Public Asset Management with HLL, Transaction Advisor, Legal Advisor, the Ministry of Health & Family Welfare and other Departments / Ministries of the Government of India concerned to discuss about the proposed disinvestment and actions required with regard to proposed strategic disinvestment of HLL.

Due diligence process is still continuing and HLL is providing clarifications/ additional information as sought by the Bidders.

2.16. Goa Antibiotics and Pharmaceuticals Ltd (GAPL) is a subsidiary of HLL since 2014 along with EDC Ltd Goa, with a 74% stake by HLL. As per the audited financials of the Company as on 31.03.2022, the net worth of the Company was negative and as per the DPE guidelines the Company became sick.

GAPL management in its 191st Board meeting held on 09-05-2022 presented a Revival plan, and the same was agreed to in principle by GAPL Board with a plan to infuse additional equity of Rs. 14.31 Crores by both the JV partners i.e., HLL Lifecare Ltd and EDC Ltd. in the ratio of their shareholding. Later on, EDC Ltd., Goa decided not to infuse the additional equity in GAPL and agreed to dilute its shareholding. Therefore, in the 284th Board meeting of HLL held on 26th July 2022, the Board of HLL has approved the proposal to make additional equity investment of Rs.14.31 Cr. from the internal resources of HLL in three (3) stages as mentioned below.

- Stage 1 - Pending increase of Authorised share Capital by GAPL and amendment of Terms and Conditions of Shareholders and Share Purchase Agreement of GAPL, HLL may make initially additional equity investment in GAPL to the extent of Rs. 4.42 Cr, being 74% of available free authorized share capital of Rs.5.98 Cr
- Stage 2 – HLL may make additional equity investment in GAPL to the extent of Rs. 1.56 Cr, being 26 % of remaining free authorized share capital of Rs.5.98 Cr. up on EDC renouncing the shares offered by GAPL and after suitably amending Terms and Conditions of Shareholders and Share Purchase Agreement GAPL to facilitate such additional investment.
- Stage 3 - HLL may make additional equity investment in GAPL to the extent of remaining Rs. 8.33 Cr. (i.e., Rs. 14.31 Cr. minus Rs. 5.98 Cr.) after GAPL increases its authorized share capital to Rs. 34.00 Cr. or to any other lower but sufficient amount.

With this additional investment of Rs.14.31 Cr. above, the shareholding of HLL in GAPL will increase from the existing 74 % to about 85 % and shareholding of EDC will decrease from 26 % to about 15 %.

After obtaining approval of the Board and the Shareholders, GAPL has issued a Letter of Offer dated 1st November 2022 to raise aggregate additional equity share capital Rs. 5.98 Cr. from HLL Lifecare Ltd. and EDC Ltd. (existing Shareholders) by way of Rights issue in the ratio of 74: 26 respectively. i.e. 4,42,520 shares of Rs.100 each to be allotted to HLL and 1,55,480 shares of Rs.100 each to EDC Ltd. HLL accepted 4,42,520 shares offered by GAPL on 11th November 2022, and remitted consideration for Stage-1 investment of Rs.4,42,52,000/- in the Share Capital of GAPL on 22nd November 2022.

Accordingly, GAPL submitted the proposal to allot 4,42,520 Shares of Rs.100 each amounting to Rs.4,42,52,000 in 194th Board Meeting of GAPL held on 19-01-2023. During the Board meeting, GAPL drew attention of the Directors to the circulars issued by DIPAM indicating the aspects mentioned below as HLL had received these circulars from the Ministry of Health on the previous day of GAPL Board meeting.

i. Proposals involving minor changes in the capital structure of CPSEs shall be considered by the Administrative Ministries / Departments in the light of DIPAM's mandate as per the Government of India (Allocation of Business) Rules, 1961.

ii. In the case of major changes affecting the capital structure of CPSEs, the proposals may be forwarded to DIPAM by the Administrative Ministry / Department with their comments. These Circulars also indicate the matters that are considered as major changes in the capital structure of CPSEs.

In the aforesaid meeting, the Board advised GAPL to request HLL to send a letter to the DIPAM through the Ministry of Health and Family Welfare, GoI seeking clearance for the investment of Rs.14.31 Crores in GAPL. Moreover, GAPL decided to defer approval for the proposal to allot shares until clearance for the investment of Rs.14.31 Crores in GAPL is received from DIPAM. Therefore, allotment of shares for Rs.4,42,52,000/- paid by HLL to GAPL in November 2022 was pending as on 31-03-2023. Thus, the equity share capital of GAPL remains unchanged as on 31.03.2023.

Based on Board's decision conveyed by GAPL, HLL sent its proposal to invest Rs.14.31 Cr. in GAPL to DIPAM for approval through the Ministry of Health & Family Welfare. Based on the same, in the Inter-Ministerial Group (IMG) meeting held on 13th March 2023, approval was granted for the proposed investment of Rs.14.31 Cr by HLL to GAPL.

In view of the approval granted in the IMG meeting, HLL on 15.05.2023 remitted to GAPL share application money of Rs.1,55,48,000 (Rupees One Crore Fifty Five Lakhs Forty Eight Thousand Only), being the consideration for 1,55,480 equity shares of Rs.100 each to be allotted to HLL.

Considering the above, in 195th Board meeting of GAPL held on 23rd May 2023 the GAPL Board of directors decided to allot 5,98,000 Shares of Rs.100 each amounting to Rs.5,98,00,000 to HLL for which the entire consideration has already been received.

The first and second stage of the equity investment scheme has been implemented and the third stage is in process. With the infusing of additional equity and the implementation of the revival plan with new business strategies with a better focused approach by HLL including strengthening the top management of GAPL, it is expected that GAPL will turnaround during 2023-24 and hence HLL does not envisage any impairment in the investment in GAPL.

2.17. HLL Mother & Child Care Hospitals Limited (HMCCHL) was formed as a separate 100% subsidiary of HLL on 1st August 2017, as a Special Purpose Vehicle for operationalization of Mother& child Hospitals Wings in Uttar Pradesh. HLL had invested Rs. 0.10 crs towards equity share capital in HMCCHL. However, HMCCHL could not serve the objective for which the SPV was set up.

The Board of Directors of HMCCHL in 12th Board meeting held on 23rd July, 2021 decided to get removed the name of HMCCHL from the records of the Registrar of Companies [ROC] in accordance with the provisions of Section 248 of the Companies Act, 2013 [the Act] in order to do away with the administrative cost and legal compliance issues of maintaining a shell Company. Additionally, HLL Board of Directors in its 280th Board meeting held on 27th July, 2021 approved the proposal to submit necessary application with the ROC.

As required by Section 248(2) of Companies Act, 2013, HMCCHL had extinguished assets and liabilities, and prepared "Nil" Balance sheet for the Financial Year 2020-21, HMCCHL is not required to prepare financial statements from Financial Year 2021-22 onwards.

The necessary approvals in the form of an Indemnity bond, from Ministry of Health and Family Welfare (Government of India) were received in March 2023, vide OM No. A.45013/166/2021-HPE dated 15.03.2023. Presently, HMCCHL is in the process of filing Form STK-2 to strike off name of the Company from the Register of Companies.

2.18. HLL Biotech Ltd, the erstwhile 100% subsidiary of HLL had appointed HLL's - Infrastructure Development Division (IDD) as Civil Construction consultant for setting up the Integrated Vaccine Project in Chengalpattu. The construction project was awarded by HLL to M/s Shapoorji Pallonji & Company Pvt Ltd (SPCPL), Chennai through an Open Tender Process.

The project was completed by SPCPL with a delay of 571 days from the revised scheduled date of completion. Therefore, a dispute arose between the parties with regard to payment due to SPCPL. SPCPL has initiated an arbitration claim of ₹74.95 Crores against HLL/HBL against which HLL/HBL has filed a counter claim of ₹ 46.07 Crores.

Since the project was awarded initially by HLL to SPCPL on behalf of HBL, the Board of Directors of HBL vide meeting dated 22.07.2019, had agreed to taking over of the arbitration claim of SPCPL as the same is pertaining to the construction of HBL- IVC.

The arbitration proceedings concluded on 28.02.2023, and after dismissing all the claims of SPCPL the arbitrator allowed the counter claims of HLL/HBL aggregating to Rs.25 Crs and part interest was allowed, apart from Rs. 0.35 Crs as cost.

HLL has filed a petition dated 28.03.2023 under Section 33 of the Arbitration & Conciliation Act 1996 for correction of computation errors and clerical or typographical errors in the order. Subsequently, SPCPL filed their reply to HLL's Section 33 petition in April 2023. The Honorable arbitrator has informed that the application will be heard on a future date, to be notified.

2.19. The Competition Commission of India (CCI) suo moto had initiated (30.9.2014) an investigation against ten private manufacturers of male contraceptive products for alleged cartelisation in tenders floated by Ministry of Health and Family Welfare (MoH&FW) during the period 2010 to 2013 and upon investigation the Company was also included as a party to the alleged cartelisation. All information sought from the HLL was submitted.

In view of the Order dated 14.10.2019 passed by the Hon'ble Court of Telangana in W.P. No. 22293 of 2019, filed by M/s Indus Medicare Limited, Hyderabad staying all further proceedings in the matter, the Commission decided to cancel the date of final hearing on DG Report fixed in the matter on 20.11.2019 and communicated the same to HLL along with other Opposite Parties on 15.11.2019.

No further communication from CCI was received after 15.11.2019.

2.20 During the year 2018-19, Central Government Health Services (CGHS) communicated the approval of the competent authority for procurement of medicines required by CGHS through HLL AMRIT stores. As per the OM dated 21st August 2018, the payment for the medicines supplied shall be made at a discount of not less than 30% of MRP. Accordingly, supplies were completed.

The terms of billing were revised at a later date to Cost plus 25% markup on medical supplies to CGHS. CGHS paid to HLL amount towards purchase cost plus GST only, however the claim towards (25% markup) service charges is still pending.

The total dues from CGHS towards such service charges is Rs. 15.71 crores as on 31.03.2023. HLL is following up with CGHS for the full and final settlement and representing to CGHS, however no resolution has been provided in spite of a high level meeting held. A provision towards the receivable is already created during 2021-22 in the books, though HLL is regularly following up with the authorities.

2.21. RBD and HCS divisions are using multiple software's like Eco Green, LIS, HMIS, RIS & Billing module, Teleradiology, PACS and RISPACS for capturing daily transactions at centres. Summary of transactions are captured in HLL books of accounts on a periodical basis.

2.22. Government Grants:

a. EMI EMC Lab

An amount of ₹14 Crores was received by HLL from MoC&I during November 2016 for setting up testing lab for medical equipments at HLL campus, Noida under Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE).

As per the terms of the sanction letter,

(a) A committee shall be constituted by HLL for implementation and monitoring the projects including a representative from the Department of Commerce,

(b) the project is to be completed in time bound manner,

(c) HLL has to submit the utilisation certificate by 31.03.2018,

(d) In the event of grantee failing to comply the terms and conditions, whole or part of the grant is liable to be refunded with interest at 10% per annum.

However due to COVID and various other reasons there was a delay in the setting up of the lab and finally Lab got installed, commissioned and got NABL accreditation effective from 21st October 2022.

The utilization certificates were submitted to MoC & I as stipulated on regular basis and the UC up to 31st March 2023 is also submitted.

The Company has refunded the unspent balance of Rs. 0.95 Crs to MoC&I during March 2023. Further an additional amount of Rs. 1.64 Crs out of the Grant is to be refunded to MoC&I and this has been included under liability in Note No: 23 other current Liabilities.

The Company is yet to get a written approval for the extension of time. However, Ministry has not denied HLL's request categorically. The Company does not envisage repayment of the grant as the lab is now completed and commissioned in all aspects.

A Contingent liability of Rs 1.29 Crs is considered towards interest on the un-utilised amount as on 31.03.2023 from the date of scheduled completion of 31.03.2018.

b. Grant for R& D Projects

The corporate R&D centre is in receipt of grants from Govt for various projects which includes capital as well as revenue grant. The Government Grants are from Board of Research in Nuclear Sciences (Rs.0.24 Crore)is for "Development of Electrospun-Q-dots Nanofibrous-membrane for dual purpose fluorescence and electrochem", from Science & Engineering Research Board (Rs.0.17 Crore) for "Development and characterization of Metal Reduced carbon nanomaterials-composite nanofibrous membrane for paper based optical biosensor for Malaria detection" & from Directorate of Environment & Climate Change (Rs.0.22 Crore) on "Novel, cost effective and eco-friendly cellulose nanofibre(CNF)-based Polyelectrolyte microfiltration filter for small scale waste water purification". The above figures are arrived as follows.

Funding agency	Sanctioned amount	Till FY 20-21	During FY 21-22	During FY 22-23	Total (Rs)
BRNS	0.37	-	0.19	0.05	0.24
SERB	0.29	0.17	-	-	0.17
DoECC	0.22	0.12	0.04	0.06	0.22

2.23. During the year 2015-16, the Company had exported 69.88 Mpcs of male condoms to Ministry of Ethiopia through Pharmaceutical Fund and Supply Agency, Ethiopia and the collections were also received.

Later, on 26.11.2015, PFSA communicated that some of the batches failed the tests of Ethiopia Food Medicines and Health Care Administration (EFMAHCA). It was agreed to replace on 28.11.2016 the entire supplies in four consignments on the condition that the Ethiopian entity has to send back equal quantity of the defective material against each batch of replacement done by HLL.

The Company replaced 15 Mpcs of Condom (in 35 batches) and in return Pharmaceuticals Fund and Supply Agency (PFSA) has returned 15 Mpcs from 137 batches during 2017-18.

The returned goods were further tested at Central Drug Testing Laboratory, Chennai and all batches were passed.

PFSA had informed on 13.02.2018 that they would not continue with the replacement, as agreed earlier. PFSA, Ethiopia had sent a legal notice dated 13.02.2018 demanding refund of balance amount paid to us. However, HLL denied the same vide letter dated 21.02.2018.

On 23rd September 2020, PFSA filed a Civil Case against HLL with the Federal High Court – Federal Democratic Republic of Ethiopia in line with the above matter for a claim amount equivalent to INR 45.60 Cr.

HLL received intimation from the Federal High Court – Federal Democratic Republic of Ethiopia on the first hearing on the matter in February 2021.

HLL has filed the defense statement and written arguments through counsel and after multiple hearings the matter was reserved for orders on 23rd January 2023 and getting adjourned due to massiveness of the case. On 24th July 2023, the judgement for the case is received and the decision is passed in favour of HLL. The claims of the PFSA was not accepted by the Federal High Court. Accordingly, the claim of Rs. 45.60 Crores is removed from Contingent Liability

2.24. Pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to movement in provisions made in the accounts for the year ended 31st March 2023 is as follows:

Particulars	Provision against Inventories*		Allowance for bad and Doubtful debts**		Provision for others**	
Year	**22-23**	**21-22**	**22-23**	**21-22**	**22-23**	**21-22**
Opening balance	5.32	1.79	191.00	20.75	15.39	15.39
Additions	0.17	4.18	12.00	172.10	5.58	
Utilizations			0.55	1.51	-	
Reversals	0.78	0.65	0.36	0.34	-	
Closing balance	4.71	5.32	202.09	191.00	20.97	15.39

*Provision created against obsolete inventories.

**Provision created against Receivables, Loans and Advances & Advance to Employees

2.25. Trade Receivables as per Note No 10 includes ₹ 137.41 crores receivable from Employees State Insurance Corporation (ESIC). Out of this, ₹123.74 Crores pertains to claims for Construction of Medical College at Paripally in Kerala, the project started in November 2010, was completed, and taken over by ESIC on 21/10/2016 and balance ₹13.67 crores pertains to other assignments. Out of this ₹ 123.74 crores, ₹ 28.98 crores is value of work done and ₹ 94.76 crores being escalation claims pending approval for extension of time from October 2012.

As against this ₹ 94.76 crores of receivable, ₹ 62.45 crores is recognized as expenses towards escalation claims payable to M/s. L & T as part of their bills on this turnkey project.

While HLL was following for release of eligible payments due as per contract, ESIC vide letter dated 27.03.2018 directed HLL to pay back ₹ 92.93 crores, which is not based on any agreed contract terms between HLL and ESIC dated 21.01.2010.

Considering the long pending receivables, HLL had requested for dispute redressal process dated 28.03.2018 as per agreement between ESIC and a claim of Rs.437.19 crores is submitted in arbitration.

However, after the claims were submitted by HLL and proceedings were going on, the mandate of arbitrator was terminated by Hon'ble Delhi High Court on request of ESIC.

Since this was causing inordinate delay in the dispute resolution, HLL decided to adopt Administrative Mechanism for Resolution of CPSEs Disputes [AMRCD] in this dispute and approval to this effect was accorded in 282nd Board meeting held on 24.01.2022. The request / application for initiating AMRCD proceedings was made to the Secretary, MoHFW. Vide order dated 26.04.2022, a committee comprising of Secretary, Ministry of Health and Family Welfare, Secretary, Ministry of Labour and Employment, and Secretary, Department of Legal affairs was constituted.

The committee is mandated to finalize its decision within 3 months of its constitution. The first meeting of the committee was held on 02.05.2022, and the latest (3rd) meeting was held on 27.01.2023, wherein the Committee inter alia proposed the parties to arrive at an amicable settlement of the dispute. Considering the long pendency, and as precautionary measure a provision has been created in the books in the year 2021-22 towards this receivable.

There is a claim by L&T on the same contract against HLL and due to the pendency of dues with M/s. L & T, Dispute redressal mechanism as per contract was initiated by M/s L&T.

Accordingly, HLL appointed Sole arbitrator on 20.07.2019 which was consented to by L&T, and M/s. L&T submitted claim of ₹ 278.95 crores along with interest (up to 30.09.2019) of ₹ 248.07 crores.

HLL submitted its statement of Defence, denying the claims along with a counter claim of ₹ 38.50 crores on 24.12.2019.

Further while responding to the Rejoinder of L&T, the counter claim of HLL was revised to ₹53.98 crores on 14.07.2020. L & T filed a petition with Hon'ble Delhi High Court to terminate the mandate of sole Arbitrator and the Hon'ble High Court allowed the petition and passed order terminating the mandate of Sole Arbitrator and appointed a new sole Arbitrator, (Justice Indu Malhotra, retired justice of Supreme Court)

HLL filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court challenging the order of the Hon'ble High Court of Delhi.

The SLP got disposed off subsequent to the hearing dated 16.05.2023, and HLL has filed a Review petition against the Order.

However, Hon'ble Sole Arbitrator, in compliance with the order dated 16.05.2023, entered into reference and the 1st meeting of the reconstituted tribunal was held on 03rd June 2023 and further 2nd meeting was held on 05th July 2023.

2.26. HLL in association with Gujarat State Government started the process of opening AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores (ADDPMJAS) as part of their initiative for promoting Generic Drugs across the State. In this regard, HLL signed a MoU with M/s. Gujarat State CSR Authority and M/s. Gujarat Medical Services Corporation Limited [GMSCL] on 6th September 2016 for setting up and operating pharmacies until a JV Company is formed. HLL had set up 52 AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores in Gujarat in the month of November 2016. In 2017, A JV Company was formed by Govt of Gujarat, but it did not take over the Assets, Liabilities and Operations of Retail Drug Stores. As per the Resolution dated 08.05.2018 passed by Health and Family Welfare Department, Government of Gujarat, HLL had taken over the operations of the stores.

As per the above Resolution, GMSCL has agreed to settle the loss amount of Gujarat operations till the date of transfer after conducting audit of the same.

The cumulative loss up to 17/05/2018 amounting to ₹ 12.32 Crores is accounted as receivable from M/s Gujarat Arogya Seva Private Limited [GASPL] under Note 14 – Other Current Assets. Further ₹ 13.70 Crores is due from Gujarat Medical Services Corporation Ltd (GMSCL) against medicine supplies, which is included in Trade Receivables and a provision towards this is available in the books. An amount of ₹ 15.00 crores received by HLL as revolving fund from GMSCL is shown under Note 21 – Current Financial Liabilities Others.

As per the MOU terms, GMSCL vide letter dated 28.01.2021 has appointed M/S Dhirubhai Shah & Co LLP, Chartered Accountants to do the special audit of the HLL claim of operational loss.

The auditors appointed by GMSCL has submitted their final report to GMSCL and HLL also received a copy of the same. The above auditor has recommended Rs.8.44 Cr out of the total of Rs.12.32 Cr. The total dis-allowance by the auditor is Rs.3.88 Cr for which provisions is available in the books. GMSCL will settle the outstanding amount after obtaining the approval from their competent authority.

2.27. Note 14 - Other Current Assets include an amount of ₹4.92 Crs receivable from M/s GoaMining Industries which was under Arbitration. During the year 2018-19, the Company has received an arbitral award in favour of the Company for ₹ 4.92 Crs with interest at 9% per annum w.e.f. 01.04.2014 in the case of M/s Goa Mining Industries. Provision towards this is available in the books.

During May 2020 to March 2023, HLL published tender notifications on four occasions inviting proposals from detective/recovery /asset identification agencies for collecting details of assets of M/s Goa Mining Industries/ their heirs. However, HLL did not receive any responsive offers.

Subsequently, in April 2023, HLL engaged the law firm M/s Legal Icon Advocates and Corporate Legal Consultants LLP, Cochin for filing Execution Petition and / or allied services till realization of amount due from M/s Goa Mining Industries. The law firm is in the process of ascertaining the assets of M/s Goa Mining Industries .

2.28. Leases where HLL is Lessee

The Company's leases mainly comprise of buildings and Plant and equipment for manufacturing, business as well as warehouse facilities.

The details of ROU Assets and Liabilities are as follows.

Right of Use Assets (Leased Assets) **₹ in crores**

Particulars	Building	Plant & Equipment	Total
Balance as on 1st April 2021-Net Block	**5.90**	**29.73**	**35.63**
Additions during FY 2021-22			-
Disposals			
Balance as on 31st March 2022	5.90	29.73	35.63
Depreciation 21-22	0.65	7.41	8.06
Net Block as on 31st March 2022	**5.25**	**22.32**	**27.57**
Balance as on 1st April 2022	**5.25**	**22.32**	**27.57**
Additions during FY 2022-23	0.12		0.12
Disposals			-
Balance as on 31st March 2023	5.37	22.32	27.69
Depreciation 22-23	0.63	7.41	8.04
Net Block as on 31st March 2023	**4.74**	**14.91**	**19.66**

Lease Liability **₹ in Crore**

Particulars	Lease liability
Balance as on 1st April 2021	**35.69**
Additions during FY 2021-22	
Interest accrued	**2.57**
Lease rent	**10.00**
Balance as on 31st March 2022	**28.26**
Balance as on 1st April 2022	**28.26**
Additions during FY 2022-23	**0.12**
Interest accrued	**1.95**
Lease rent	**10.02**
Balance as on 31st March 2023	**20.30**
Lease liability classified as current	**8.50**
Lease liability classified as Non-current	**11.80**

As required by the Standard, maturity analysis of Lease Liabilities have been shown separately from the maturity analysis of other financial liabilities under Note 32 : Financial Instruments.

2.29. Nodal agency for Procurement of COVID-19

MoHFW on 21st Feb 2020 designated HLL as the nodal procurement agency for procurement of essential medical supplies concerning Covid-19 management. The emergency medical supplies covered Personal Protective Equipment's (PPE) Kits consisting of Coverall (Garments), N95 mask, Goggles, Nitrile Gloves, Face Shield, Triple Layer Surgical mask and other products ie., Ventilators, Medicines like HCQ & Azithromycin, Cartridges etc. HLL as per directions from MoHFW, initiated the procurement of above products by identifying potential manufacturers / suppliers from domestic sources, developed manufacturing capabilities with the help of Ministry of Textiles (MoT), standardized testing protocols, and the help of Indian Missions abroad was sought for import from overseas suppliers. A 24/7 Emergency Control Room was made operational for this purpose.

During January 2021, HLL was appointed as Procuring Agency for the procurement of Covid19 Vaccine as well. The procurement was to be made from three domestic vaccine manufacturers, as identified by Government of India, with upfront payment and supply commitments. For initial order, funds towards the same was released from PM CARES fund and thereafter, MoHFW is funding the vaccine procurement through HLL. HLL has utilized the capacity of HLL Biotech Limited towards the vaccine procurement activities and accordingly management fee on vaccine supplies were shared with HLL Biotech Ltd. As covid 19 infections have subsided in India, the unexecuted portions of Purchase orders issued during 2021-22 were completed in the financial year 2022-23 without any new orders.

Supplier	Vaccine	No. of Doses
Bharat Biotech International Ltd	Covaxin	3.17 Crs
Biological E Ltd	Corbevax	4.85 Crs

HLL has purchased and supplied Covid Vaccines for the Financial Year 2022-23 from the sources of MoHFW fund.

Supplier

HLL has availed the services from HLL Biotech Ltd , erstwhile subsidiary of HLL towards Covid vaccine Procurement . HLL has paid 50% of the management fee received from MOHFW, for supplies of vaccines from Bharat Biotech International Ltd

In addition to the above Vaccines, HLL Lifecare Limited has continued the carried forward supplies of Ventilators also

2.30. Balance in Debtors, Creditors and loans and advances are subject to confirmation / reconciliation. However, most of the debtors are government /government institutions. Receivable in Foreign Currency out of Export sales is subject to confirmation/reconciliation and consequently Foreign Currency valuation gain or loss may vary.

2.31. Additional Disclosure for Investment Properties:

Rental Income:	(₹ in Crores)	
Description	**As at 31.03.2023**	**As at 31.03.2022**
Rental income	3.81	3.93
Direct operating expenses that generated rental income		
Direct operating expenses that did not generate rental income		
Profit from leasing of investment properties before depreciation	3.81	3.93
Depreciation	0.62	0.69
Profit from leasing of investment properties	3.19	3.24

(ii) Fair value:

Fair value of Investment Properties as on 31st March 2023 is estimated at ₹ 12.79 crores based on CPW ratings per PAR (Plinth area reference).

(iii) Depreciation:

Depreciation on Investment properties have been made in line with the requirement under schedule II of the Companies Act, 2013.

2.32. Contract Expenses are direct expenses incurred towards the implementation of various projects by Projects & Services Division against which Contract Income is recognized.

2.33 (a) HLL was awarded the tender with contract validity of 5 years for providing free diagnostic services in all healthcare delivery institutions under the Directorate of Health Services in the state of Maharashtra during 2017. Accordingly, an agreement was executed between the State Health Society Maharashtra and HLL Lifecare Limited during Feb 2017. As per Clause 7(ii) of the agreement, HLL is eligible for a Minimum assured volume which starts from the date of complete implementation of the program or 3 months from the date of signing the contract whichever is later. Until such time, payment would be on actual basis. The minimum assured sample volume is 22000 samples per working day. It will be reimbursed in the same proportion as that of the actual sample volume achieved during the respective period.

HLL started applying this clause in our claims with effect from November 2017 itself. However, NHM did not accept our claim citing that the HLL had not completed the implementation of the program in all the aspects as per the agreement and asked us to submit our claims on actual basis only. Though subsequent claims were submitted on actual basis to NHM, HLL was pursuing its claim for minimum assurance (w.ef. November 2017) parallelly through separate letter communications.

As per NHM, the performance obligations in the contract was not fully satisfied by HLL in the same manner as described in the agreement so that it can take complete economic benefits arising out of the contract. Due to the absence of customer acceptance as described above, HLL did not recognize revenue in its books for the minimum assured sample volume from the beginning of the contract.

After several follow ups & discussions with NHM during the past 3-4 years, NHM finally approved our claim for minimum assurance from 10th February 2018 onward till June 2022 during February 2023. Accordingly, an amount of Rs 200.10 Cr was received during February 2023 as approved by NHM for reimbursement comprising of Minimum assurance from 10.02.2018 and 3% annual price escalation from September 2021. The revenue of Rs. 200.10 Crores and expenditure, being the expenditure to service provider of Rs. 187.51 Crores is spread across the applicable years as follows:

Rs. In crores	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Income	6.12	52.86	30.93	49.07	49.96	11.17
Expenses	5.73	49.53	28.98	45.99	46.81	10.47

b. Further, as per the agreement with NHM Maharashtra, HLL is eligible for 3% annual escalation in the quoted rates. HLL had accounted Rs. 20.05 Crore towards this for the period November 2018 to June 2021. However, NHM has given approval for applying the annual rate escalation from September 2021 only. Thus, the escalation Rs. 20.05 Crore is charged off to P&L and the corresponding liability towards service provider of Rs. 18.85 Crore is written back. The net impact in Statement of Profit or loss is Rs. 1.20 Crore.

2.34. Some of the receipts in collection bank accounts could not be identified against the relevant customers from whom the collection is received are classified as "Unspecified Receipts" in Note No. 23 (a) Advance from Customers/ Clients. These balance can be realisation from debtors or advance receipts. The debtors/advance balances are subject to confirmation and are subject to change to that extent.

2.35. The disclosures required on Financial Instruments as per Ind AS 109 are given in Note 32

2.36. The disclosures relating to Employee Benefit expense as per Ind AS 19 are given in Note-33.

2.37. The disclosures relating to Contingent Liabilities and contingent assets as per Ind AS 37 are given in Note-34.

2.38. The disclosure relating of Related Party transactions as per Ind AS 24 are given in Note-35.

2.39. The Company has included the Retail business and Diagnostic services as separate segments considering the threshold limits as per Ind AS 108 during the year. Accordingly, the previous years results are also disclosed as per the new segments. The disclosure in respect of Operating Segments as per Ind AS 108 is given in Note-36.

2.40. The disclosure in respect of Income Tax and Deferred Tax as per Ind AS 12 is given in Note-37.

2.41. Assets classified as held for sale consists of non-Current assets which are un-serviceable due to technological obsolescence and ageing of the assets and are declared as scrapped assets. These assets will be disposed of through a tendering process on regular intervals taking into consideration of the accumulation of these items and economic quantity of scrap disposal. Scrapped assets held for sale and not sold within a year are taken to non-current assets and provided for in the books

2.42. Interest earned on deposits made out of the collections from Medical Counseling Cell project, being a project undertaken based on an MoU between Medical Counselling Committee, MoHFW & HLL, was considered as income in the previous years due to lack of clarity in the agreement. During the current year, based on the legal opinion, the income so recognized in the previous years has been reversed and considered as liability in the books of Project held under Trust.

2.43. The Board of Directors of the company has recommended a dividend of Rs.11.93 Crores in its 290th Board Meeting held on the 22nd August, 2023.

2.44. Figures for the previous year have been rearranged and regrouped wherever necessary.

Additional Regulatory information as required by Companies Act

1 The ministry of corporate affairs has approved the scheme of arrangement of demerger of HLL Biotech Ltd and HLL Medipark Ltd with effect from 01.04.2019 vide MCA order dated 22nd March 2021 and 31st March 2021. The Company has accounted the effect of such changes in the financial year 2020-21 except for those stated in Note 2.13 and 2.14

2 No proceeding under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) has been initiated against the Company.

3 The Company has not been declared as willful defaulter by any bank or financial institution or lenders during the year.

4 All charges on assets have been registered with ROC within the statutory period.

5. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year 2022-23

6. The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company

7. The Company has not revalued its Plant, Property and Equipment during the year

8. The Company has working capital limits with banks on the basis of security of current assets and the quarterly returns submitted to the banks are generally in agreement with books of accounts

9. With respect of compliance with number of layers of companies, the provision is not applicable to a Government

Company as per Rule 2(d) of Companies (Restriction of number of Layers) Rules, 2017

10. The Company has not granted any loans or advance in the nature of loans to Promoters, Directors, KMPs and to Related parties either severely or jointly other than Advance disclosed under Note No 12 Loans and Note 35 Related party transaction.
11. As per the information available with the Company the Company does not have an relation with Company struck off under the Companies Act
12. To the best of our knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entity with 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 or provide any guarantee, security or like on behalf of the ultimate beneficiaries.
13. To the best of our knowledge and belief no funds have been received by the Company from any person or any other person or entity including foreign entity with 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 or provide any guarantee, security or like on behalf of the ultimate beneficiaries.
14. The Company doesn't have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax act 1961.

Note 3 : Plant, Property and Equipment
a) Current Reporting period

Rs. In Crs

a) Current Reporting period

		Gross block				Accumulated depreciation and impairment				Net block	
	Fixed Assets	**1 April 2022**	**Additions**	**Disposals/ Adjustments**	**31 March 2023**	**1 April 2022**	**Depreciation / amortisation expense for the year**	**Disposals/ Adjustments**	**31 March 2023**	**31 March 2023**	**31 March 2022**
A.	**Tangible assets**										
	(a) Land										
	Freehold	5.93	-	-	5.93	-	-	-	-	5.93	5.93
	Leasehold	7.03	-	-	7.03	0.57	0.08	-	0.66	6.37	6.46
	(b) Buildings	159.34	0.57	-0.42	160.32	60.74	7.24	-0.04	68.02	92.30	98.60
	(c) Roads	1.07	-	-	1.07	0.91	0.01	-	0.92	0.15	0.16
	(d) Plant and Equipment	194.44	17.13	0.89	210.69	115.92	14.27	0.79	129.41	81.28	78.52
	(e) Electrical Installation & Eqpt.	46.72	0.59	0.12	47.20	36.77	2.49	0.10	39.17	8.03	9.95
	(f) Furniture &Fixture	32.69	2.47	0.11	35.05	26.73	2.62	0.11	29.24	5.82	5.97
	(g) Motor Vehicles	0.73	0.86	0.58	1.01	0.64	0.12	0.53	0.22	0.79	0.09
	(h) Computer Data Processing	15.74	1.72	0.93	16.53	13.30	1.64	0.89	14.04	2.49	2.44
	(i) Office Equipment	6.52	1.46	0.05	7.93	4.95	1.08	0.04	5.99	1.94	1.57
	(j) Lab Equipment	26.23	0.34	0.03	26.53	21.00	1.32	0.03	22.30	4.23	5.22
	Total	496.43	25.15	2.29	519.30	281.54	30.87	2.44	309.96	209.33	214.90
	Previous year	486.59	10.30	0.47	496.43	247.61	34.90	0.98	281.54	214.90	238.98
B	Investment Property	15.26	-	0.42	14.84	5.23	0.62	0.04	5.81	9.03	10.03
	Previous year	15.96	-	0.70	15.26	4.64	0.69	0.10	5.23	10.03	11.32

C	Capital Work In Progress									-	
	(a) Civil work in progress	10.60	0.43	10.24	0.79	-	-	-	-	0.79	10.60
	(b) Consultancy Charges	0.16	-	0.10	0.06	-	-	-	-	0.06	0.16
	(c) Machinery WIP	1.79	0.05	1.48	0.36	-	-	-	-	0.36	1.79
	Total	12.55	0.48	11.82	1.21	-	-	-	-	1.21	12.55
	Previous year	10.34	3.27	1.06	12.55	-	-	-	-	12.55	10.34
D	Intangible assets									-	
	(a) Computer Software	12.96	0.86	-	13.82	10.87	0.70	-	11.57	2.25	2.09
	(b) Trademarks & Patents	1.03	0.02	-	1.06	0.98	0.01	-	0.99	0.07	0.05
	Total	13.99	0.88	-	14.88	11.85	0.72	-	12.56	2.32	2.15
	Previous year	13.68	0.31	-	13.99	10.92	0.92	-0.00	11.85	2.15	2.76
E	Right of use Assets									-	
	(a) Plant and Machinery	40.20	-	-	40.20	17.88	7.41	-	25.29	14.91	22.32
	(b) Buildings	6.87	0.12	-	6.99	1.62	0.63	-	2.25	4.74	5.25
	Total	47.07	0.12	-	47.20	19.50	8.04	-	27.54	19.66	27.57
	Previous year 21-22	47.07	-	-	47.07	11.44	8.06	-	19.50	27.57	35.63

Note:

1. Cost of Free hold Land includes -

   a) ₹ 1 /- being the token value of 11.44 acres of land transferred by the Govt. of Kerala free of cost.

   b) ₹ 1 /- being the token value of 7.14 acres of land transferred by the Govt. of Kerala free of cost.

   c) ₹ 4.86 lacs being the price of freehold land of 25 acres and 38 Guntas transferred by Karnataka Industrial Area Development Board.

   d) ₹ 16.83 lacs being the price of freehold land of 15 acres and 33 Guntas purchased from various parties at kanagala village.

   e) ₹ 567.92 lacs being the price of freehold land of 0.30 acres at Chennai.

   f) ₹ 0.76 Lacs being price of 20 Cents of land at Cheruvaikal Village.

   g) ₹ 2.16 Lacs being value of 1.06 acres of land transferred by the Govt. of Kerala.

2. As per IND AS 101, the Company has elected to adopt the carrying value measured as per previous GAAP as on 01-04-2015 (Transition date) of all assets as its Deemed cost as on Transition Date. SAP software does not support the changes pronounced by the Accounting Standards for India. Due to the inherent limitations of Asset Module in SAP the Gross block of Asset Register maintained in SAP software for assets procured prior to Ind AS transition are at the original cost . However , the net book value of the assets is tallied with the Net block as per the Asset Register.

3. Cost of Lease hold land includes the following

a) ₹130.46 lacs being the original cost of 3 acres of leasehold land and building at Balramapuram, Kerala for 99 years (Deemed Cost as on 01.04.2015 - Rs.123.74 Lacs)

b) ₹92.41 lacs being the allotment value of 1005.22 sq. mtrs plot in Mumbai on lease for 60 years. (Deemed Cost as on 01.04.2015 - Rs.87.48 Lacs)

c) ₹261.94 lacs being the value of 5000 Sq.Mtr. of leasehold land allotted in the New Okhla Industrial Development Authority (NOIDA), Uttar Pradesh for 90 years (Deemed Cost as on 01.04.2015 - Rs.231.51 Lacs)

d) ₹262.39 Lacs being the value of 306 Cents of land at rubber park, Irapuram, Perumbavoor, Kerala State for 81 years from Rubber Park India (P) LTD. (Deemed Cost as on 01.04.2015 - Rs.260.07 Lacs)

4. ₹99/- being the value of 430.10 acres leasehold land allotted in Chengalpettu, Chennai, on lease for a period of 99 years, from Central Leprosy Training & Research Institute (CLTRI) in Chengalpettu, Tamil Nadu. (Deemed Cost as on 01.04.2015 - Rs.93 /-). In line with the decision of the Cabinet Committee on Economic Affairs, 100 acres of land is earmarked out of the 430.10 acres in possession, for HLL Biotech Limited, valued at Rs. 10.12 crores (56 acres at Rs. 16.5 Lacs per acre and 44 acres of hilllock at Rs. 2.00 Lacs per acre) was transferred from HLL to HBL by way of sub leasedeed on the consideration of Rs.1/- for a period of ninety four years but was not accounted for by HBL.

5. 3.38 Acres of land, out of 100 acres in possession, is given on lease for a period of 92 years at ₹1/- per year to Tamil Nadu Generation and Distribution Corporation Ltd

6. The Govt of Kerala has allotted on lease 4.783 acre of Land (Re-survey no. 34/146/1, 35/120/2,35/120/3) at Konni Taluk, Iravon Village,Pathanamthitta District, Kerala towards setting up of Green Field Blood Bag Project.The land has been handed over to the company. The land is allotted on Lease Rent at Rs. 19400/- per year for a period of 30 years.

7. Methods of depreciation adopted are as follows.

a) Depreciation on tangible assets including Investment Property have been made in line with the requirement under schedule II of the Companies Act, 2013.

b) Depreciation has been charged on straight line method for all assets under Plant & Machinery and written down value method for other assets(except intangible asset and leasehold asset) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act.

c) Trade Mark/ Patents are amortised over a period of 5 years.

d) The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 Years on pro-rata basis. Licence fee paid is amortized over the agreement period.

e) Depreciation has been charged on useful life basis irrespective of the shut downs in plants which are in the nature of Continuous Process.

8. Consequent to Cabinet Approval to sub- lease the 330.10 acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to the company in 2009, for setting up Medipark, HLL Medipark Limited was incorporated on 20.12.2016 and the said 330.10 land was allotted to HML on sublease basis during March 2017

9. Depreciation on Property plant and Equipment which are under operating lease , is provided on the basis of useful life as per companies act or as per lease agreement whichever is lower.

10. Additions to fixed assets include original cost of the following capital expenditure incurred in the approved R&D facility.

	2022-23	**2021-22**
	(₹ in Crs)	(₹ in Crs)
Lab Equipments	0.12	0.15
Office Equipments	0.05	0.01
Computer & Data Proc	0.06	-
Plant and Machinery	0.00	-
	0.22	0.17

11 The Company implemented IND AS 116 on 1st April 2019, and applied the modified retrospective method and right of use asssets are disclosed in Note 2.28

Notes to Standalone financial statements for the year ended 31 March 2022
Note 3 : Plant, Property and Equipment w

Rs. In Crs

b) Previous Reporting period

	Fixed Assets	Gross block				Accumulated depreciation and impairment				Net block	
		1 April 2021	Additions	Disposals/ Adjust-ments	31 March 2022	1 April 2021	Depreciation / amortisation ex-pense for the year	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
A.	**Tangible assets**										
	(a) Land										
	Freehold	5.93	-	-	5.93	-	-	-	-	5.93	5.93
	Leasehold	7.03	-	-	7.03	0.49	0.08	-	0.57	6.46	6.54
	(b) Buildings	158.00	0.64	(0.70)	159.34	52.51	8.13	(0.10)	60.74	98.60	105.48
	(c) Roads	1.07	-	-	1.07	0.88	0.04	-	0.91	0.16	0.19
	(d) Plant and Equipment	190.77	4.47	0.79	194.44	100.49	16.15	0.72	115.92	78.52	90.28
	(e) Electrical Installation & Eqpt.	46.56	0.18	0.02	46.72	33.29	3.50	0.02	36.77	9.95	13.26
	(f) Furniture &Fixture	31.10	1.64	0.05	32.69	23.28	3.50	0.05	26.73	5.97	7.82
	(g) Motor Vehicles	0.73	0.00	-	0.73	0.61	0.02	-	0.64	0.09	0.12
	(h) Computer Data Process-ing	14.16	1.85	0.27	15.74	12.42	1.14	0.26	13.30	2.44	1.74
	(i) Office Equipment	5.44	1.10	0.02	6.52	4.28	0.70	0.02	4.95	1.57	1.16
	(j) Lab Equipment	25.83	0.41	0.01	26.23	19.37	1.65	0.01	21.00	5.22	6.46
	Total	**486.59**	**10.30**	**0.47**	**496.43**	**247.61**	**34.90**	**0.98**	**281.54**	**214.90**	**238.98**

	Previous year	478.91	9.09	1.40	486.59	209.43	39.44	1.26	247.61	238.98	269.47
B	**Investment Property**	**15.96**	**-**	**0.70**	15.26	**4.64**	**0.69**	**0.10**	**5.23**	**10.03**	**11.32**
	Previous year	15.96			15.96	3.86	0.78	-	4.64	11.32	12.10
C	**Capital Work In Progress**									**-**	
	(a) Civil work in progress	9.52	1.79	0.70	10.60	-	-	-	-	10.60	9.52
	(b) Consultancy Charges	0.16		-	0.16	-	-	-	-	0.16	0.16
	(c) Machinery WIP	0.66	1.48	0.35	1.79	-	-	-	-	1.79	0.66
	Total	**10.34**	**3.27**	**1.06**	**12.55**	**-**	**-**	**-**	**-**	**12.55**	**10.34**
	Previous year	4.10	6.60	0.36	10.34	-	-	-	-	10.34	4.10
D	**Intangible assets**									-	
	(a) Computer Software	12.68	0.27	-	12.96	9.97	0.89	-0.00	10.87	2.09	2.71
	(b) Trademarks & Patents	1.00	0.04	-	1.03	0.95	0.03	-	0.98	0.05	0.05
	Total	**13.68**	**0.31**	**-**	**13.99**	**10.92**	**0.92**	**-0.00**	**11.85**	**2.15**	**2.76**
	Previous year	13.51	0.17		13.68	9.93	0.99	-0.00	10.92	2.76	3.58
E	**Right of use Assets**									-	
	(a) Plant and Machinery	40.20	-	-	40.20	10.47	7.41		17.88	22.32	29.73
	(b) Buildings	6.87	-	-	6.87	0.97	0.65		1.62	5.25	5.90
	Total	**47.07**	**-**		**47.07**	**11.45**	**8.06**	**-**	**19.50**	**27.57**	**35.63**
	Previous year 20-21	36.06	11.01		47.07	5.53	5.92	-	11.45	35.63	30.54

(a) CWIP ageing schedule					(in Crs)
CWIP	Amount in CWIP (31.03.2023)				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Projects in progress	0.67	0.00	0.18	0.36	1.21
Projects temporarily suspended	-	-	-		-
CWIP	Amount in CWIP (31.03.2022)				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Projects in progress	3.27	8.65	0.18	0.46	12.55
Projects temporarily suspended	-	-	-		-

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given

CWIP	Amount in CWIP				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Nil					Nil

(c)Intangible Assets under development completion

					(in Crs)
Intangible Assets under development completion	Amount in CWIP				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Nil					-

Note 4. Non-Current Financial Assets - Investments

Sl. No.	Name of the Body Corporate	Extent of Holding (%)	No. of Shares / Units	Amount in ₹ crs	No. of Shares / Units	Amount in ₹ crs
(1)	(2)	(3)	(4)		(5)	
			As at 31.03.2023		As at 31.03.2022	
	Unquoted -Fully paid equity Shares					
	Carried at cost					
1	**Investment in Equity Instruments**					
	I) Subsidiaries					
	a) Equity Shares of `10 each					
	HLL Infratech Services Ltd	100.00	20,00,000	0.05	20,00,000	0.05
	HLL Mother & Child Care Hospital Limited (Refer Note 2.17)	100.00	1,00,000	-	1,00,000	-
	b) Equity Shares of ₹ 100 each					
	Goa Antibiotics And Pharmaceuticals Limited	74.00	14,07,480	7.09	14,07,480	7.09
	II) Joint Ventures					
	a) Equity Shares of `10 each					
	Life Spring Hospital Pvt.Ltd	50.00	85,79,929	9.51	85,79,929	9.51
	III) Structured Entities					
	Kerala Enviro Infrastructures Ltd.	0.16	20,000	0.02	20,000	0.02
	Total			**16.67**		**16.67**
	Note:-					
	In respect of HLL Mother & Child Care Hospital Ltd the aggregate amount of Impairment in the value of investments is Rs 0.10 Crs.					

Note 5. Non-Current Financial Assets - Others		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Unsecured, Considered good		
Security Deposits	1.67	1.54
Investment pending for Share allotment	4.43	
Total	**6.10**	**1.54**
Note 6. Deferred Tax Asset (Net)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Deferred tax asset (Net)		
a) Deffered tax liabilities	(6.41)	(10.28)
b) Deffered tax assets	78.30	81.10
Total	**71.89**	**70.82**
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Deferred tax (liability) / asset		
WDV of Assets (Other than ROU Assets)	(1.46)	(3.35)
ROU Assets	(4.95)	(6.93)
Tax effect of items constituting deferred tax liability	**(6.41)**	**(10.28)**
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts	56.14	51.94
Provision for Non Moving Stock & Obsolete Stock	1.19	1.34
Provision for Employee benefits	15.86	20.73
ROU Liabilities	5.11	7.09
Tax effect of items constituting deferred tax assets	**78.30**	**81.10**
Net deferred tax (liability) / asset	**71.89**	**70.82**

Note 7. Other Non - Current Assets

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Obsolete Asset	0.09	0.31
Less: Provision for Obsolete Asset	(0.09)	(0.31)
Total	**-**	**-**

Note 8. Non-Current Tax Asset (Net)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Advance Income Tax (Net of Provisions)*	31.76	19.36
Total	**31.76**	**19.36**

* This includes TDS & TCS receivable which are note fully reconciled with 26AS

Note 9. Inventories		
(At lower of, cost or net realisable value)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
a. Raw Materials	18.48	25.53
b.Packing Materials	13.04	8.41
c. Work-in-progress	27.32	18.01
d. Finished goods		
Manufactured Products	69.12	31.06
Social Marketing Products	0.03	0.90
Outsourced Products	156.71	98.11
Goods-in transit	0.06	0.01
	225.92	130.08
e.General Stores and Consumables	3.91	10.40
f. Other materials, machinery, spare parts, building materials etc.	12.06	11.91
g. Tools revalued and certified by management	0.12	0.15
h. Others		
Gift items	0.11	0.13
Stationery	0.53	0.51
	0.64	**0.64**
	301.49	**205.12**
Less : Provision for Obsolete Stock	4.71	5.32
Total	**296.78**	**199.80**

Note 10. Current Financial Assets - Trade Receivables		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Secured, considered good*	26.10	4.92
Unsecured, considered good	878.73	2,698.65

Considered Doubtful	202.08	190.99
	1,106.91	**2,894.56**
Less: Allowance for doubtful debts	202.08	190.99
Total	**904.83**	**2,703.57**

* Secured against Letter of Credit, Bank Guarantee or Customer Deposit

Ageing Schedule- Trade Receivables

Particulars		Outstanding for following periods from due date of payment					Total (in Crs)
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - Trade receivables considered good	As at 31.03.2023	669.27	84.59	42.82	64.44	43.71	**904.83**
	As at 31.03.2022	1,806.10	357.77	377.96	64.42	97.31	2,703.56
(ii) Undisputed - Trade receivables which have significant increase in credit risk	As at 31.03.2023	3.78	0.97	3.16	3.95	5.41	**17.27**
	As at 31.03.2022	-	-	-	-	-	-
(iii) Undisputed - Trade receivables credit impaired	As at 31.03.2023	0.25	0.01	3.30	-	5.61	**9.17**
	As at 31.03.2022	5.08	0.79	0.09	-	2.93	8.89
(iv) Disputed - Trade receivables considered good	As at 31.03.2023	-	-	-	-	137.41	**137.41**
	As at 31.03.2022	-	0.01	-	0.50	138.88	139.39
(v) Disputed - Trade receivables which have significant increase in credit risk	As at 31.03.2023	-	8.83	3.14	3.90	21.74	**37.61**
	As at 31.03.2022	-	0.11	1.47	18.96	21.55	42.09
(vi) Disputed - Trade receivables credit impaired	As at 31.03.2023	-	-	-	-	0.62	**0.62**
	As at 31.03.2022	-	-	-	0.02	0.61	0.63
Grand Total	As at 31.03.2023	**673.30**	**94.40**	**52.42**	**72.29**	**214.50**	**1,106.91**
	As at 31.03.2022	1,811.18	358.68	379.52	83.90	261.28	2,894.56

Note 11.Cash and cash equivalents

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
(a) Balances with banks		
(i) In Current accounts	17.89	14.88
(ii) Funds earmarked for Projects	6.12	57.82
(iii) In Term deposit accounts with less than 3 months maturity	176.44	976.25
(iv) In EEFC accounts	6.48	2.05
(b) Others		
(i) Cash in hand	3.01	2.11
(ii) Stamps in Hand	0.00	0.00
Total	**209.94**	**1,053.11**
(c) Bank balances other than (a) above		
In deposit accounts	498.98	281.48
In Term deposits held for margin money for borrowings and guarantee	0.00	2.83
Total	**498.98**	**284.31**

Cash and cash equivalents as at March 31,2023 and March31,2022 include restricted cash and bank balances of ₹0 crs and ₹2.83 crs,respectively.The restrictions are primarily on account of bank balances held as margin money deposit against guarantees.

Note 12. Loans

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
(a) Loans and Advances to employees		
Secured, considered good	-	0.00
Unsecured, considered good	2.69	4.22
Considered Doubtful	0.34	0.03
	3.03	**4.25**
Less: Allowance for doubtful loans and advances	(0.34)	(0.03)
Total	**2.69**	**4.22**

Note: Current Financial Assets - Loans and Advances include amounts due from:

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Directors	0.02	0.00
Other officers of the Company	0.87	0.54
Total	**0.89**	**0.54**

Note 13. Current Financial Assets - Others

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
(a) Accrued Interest	16.88	10.34
(b) Receivable from Govt of India	6.42	6.42
(c)Security Deposit	7.14	4.44
Total	**30.44**	**21.20**

Note 14. Other current assets

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Advances Other than Capital Advances		
Advance to Creditors , Deposit to various Govt agencies, others etc		
Considered good	158.60	917.95
Considered Doubtful	20.63	15.35
Sub Total	179.23	933.30
Less:-Provision for Advances	(20.63)	(15.35)
Sub Total	158.60	917.95
Others		
(a) Export Incentives/Duty Draw back	2.58	1.92
(b) Stock of DEPB Licence FMI,MEIS &RoDTEP	0.50	1.75
(c) Prepaid Expenses	2.78	2.49
(d) Saheli Subsidy Receivable	-	-
Sub Total	5.86	6.16
Total	**164.46**	**924.11**

Note 15. Share capital

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
(a) Authorised Share Capital		
Equity shares of ₹ 10/-each - 30,00,00,000 Nos.	300.00	300.00
(b) Issued Share Capital		
Equity shares of ₹ 10/- each: 1,55,35,000 Nos. (As on 31.03.2023) 1,55,35,000 Nos. (As on 31.03.2022)	15.54	15.54
(c) Subscribed and fully paid up Share Capital		
Equity shares of ₹ 10/- each: 1,55,35,000 Nos. (As on 31.03.2023) 1,55,35,000 Nos. (As on 31.03.2022)	15.54	15.54
Total	**15.54**	**15.54**

Reconciliation of Share Capital

Description	As at 31.03.2023		As at 31.03.2022	
	No of Shares	₹ crs	No of Shares	₹ crs
Equity Share Capital				
Authorized				
Opening Balance (Face value of ₹ 10/- each)	30,00,00,000	300.00	30,00,00,000	300.00
Additions				
Closing Balance (Face value of ₹ 10/- each)	30,00,00,000	300.00	30,00,00,000	300.00
Issued				
Opening Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Additions/(Reductions)				
Closing Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Subscribed & Paid up				
Opening Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Additions/(Reductions)				
Closing Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54

Details of shares held by each shareholder holding more than 5% shares:				
Name of shareholder	As at 31.03.2023		As at 31.03.2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
President of India	1,55,35,000	100%	1,55,35,000	100%

Details of Shareholdings of Promoters			
Promoter Name	No of Shares	% of total Shares	% Change during the year
President of India	1,55,35,000	100%	-

Note 16. Other Equity		
Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
(a)Dividend Equalisation Reserve	**1.30**	**1.30**
(b) General reserve		
Opening balance	257.12	257.12
Closing balance	**257.12**	**257.12**
(c) Retained Earnings		
Opening balance	495.72	110.62
Add: Profit / (Loss) for the year	39.77	404.38
Less: Dividend	122.47	19.29
Closing balance	**413.02**	**495.72**
(d) Other Comprehensive Income		
Opening Balance	(22.26)	(16.06)
Add: Balance reclassified from Retained earnings	-	-
Other comprehensive income for the year	(5.88)	(6.20)
Closing Balance	**(28.14)**	**(22.26)**
Total	**643.30**	**731.88**

Note 16. Other Equity		
Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Dividend Equalisation Reserve	1.30	1.30
General Reserve	257.12	257.12
Other Comprehensive Income	(28.14)	(22.26)
Retained Earnings	413.02	495.72
Total	**643.30**	**731.88**

Note 17. Provisions (Non Current)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Provision for performance related pay	-	28.68
Total	**-**	**28.68**

Note 18. Other Non Current Liabilites		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Deferred Government Grant	10.00	13.77
Total	**10.00**	**13.77**

Note 19. Current Financial Liabilities - Borrowings (stated at amortized cost)			
Particulars		**As at 31.03.2023**	**As at 31.03.2022**
		₹ crs	**₹ crs**
(a) Loans repayable on demand (Cash Credit) - Secured			.
From State Bank of India		181.06	77.26
From Canara Bank		39.67	0.00
From HDFC Bank		25.32	12.21
	Sub Total	**246.05**	**89.47**
(b) Short Term Loans from Banks -Secured Overdraft			
From Canara Bank		75.27	0.02
From SBI		68.53	68.31
Sub Total		**143.80**	**68.33**
	Grand Total	**389.85**	**157.80**

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	**Nature of security**	**As at 31.03.2023**	**As at 31.03.2022**
		₹ crs	**₹ crs**
Loans repayable on demand from banks:			
SBI	Parri passu charge over current assets of the company. Equitable Mortgage as collateral over the land with building at Poojappura, Trivandrum towards State Bank of India. The limits sanctioned are SBI (Rs.220 Cr), Canara Bank(Rs. 50 Cr) & HDFC Bank (Rs. 42 Cr)	181.06	77.26
Canara Bank		39.67	0.00
HDFC Bank		25.32	12.21
Total		**246.05**	**89.47**

Short Term Loans from Banks - Secured overdraft			
From Canara Bank	Secured by Project Deposits	75.27	0.02
From SBI		68.53	68.31
Total		**143.80**	**68.33**

Note 20.Current Financial Liabilities - Trade payables

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Trade payables:		
for materials, services and expenses		
a. Micro Small and Medium Enterprises	85.84	30.41
b. Others	838.28	1,025.79
Total	**924.12**	**1,056.20**

Trade Payables ageing schedule

Particulars		Outstanding for following periods from due date of payment				₹ crs
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 yrs	TOTAL
(i) MSME	As at March 31, 2023	77.97	5.32	0.05	0.22	83.57
	As at March 31, 2022	29.87	0.14	0.08	0.32	30.41
(ii) Others	As at March 31, 2023	694.67	46.22	19.35	18.95	779.19
	As at March 31, 2022	729.20	82.02	30.62	126.42	968.26
(iii) Disputed dues MSME	As at March 31, 2023	-	2.27	-	-	2.27
	As at March 31, 2022	-	-	-	-	-
(iv) Disputed dues Others	As at March 31, 2023	0.03	0.26	0.25	58.55	59.09
	As at March 31, 2022	-	-	-	57.53	57.53
Grand Total	As at March 31, 2023	**772.67**	**54.08**	**19.65**	**77.72**	**924.12**
	As at March 31, 2022	759.07	82.16	30.70	184.27	1,056.20

Note 21. Current Financial Liabilities - Others		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Others		
(i) EMD & Security Deposits	50.40	47.65
(ii) Other Liabilities	73.87	365.81
Total	**124.27**	**413.46**

Note 22. Provisions (Current)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Provision for employee benefits:		
(i) Provision for bonus and incentive	2.42	2.62
(ii) Provision for performance related pay	28.69	7.57
(iii) Provision for gratuity	27.00	26.69
(iv) Provision for group EL Premium	4.92	7.95
(b) Provision - Others:		
(i) Provision for CSR liability	0.17	0.14
(ii) Provision for Expense Payable	39.94	57.35
Total	**103.14**	**102.32**

Note 23. Other Current Liabilities		
Particulars	**As at 31.03.2023**	**As at 1.03.2022**
	₹ crs	**₹ crs**
(a) Advance from Customers/Clients	237.86	2,986.99
(b) Income Received in Advance	1.21	0.72
(c) Payable to Projects	5.32	29.97
(d) Deferred Government Grant	1.18	0.32
Total	**245.57**	**3,018.00**

Note 24. Revenue from operations			
S.No	**Particulars**	**Year ended 31.03.2023**	**Year ended 31.03.2022**
		₹ crs	**₹ crs**
(a)	Sale of products	2,870.08	33,401.29
(b)	Sale of services	658.42	2,206.95
(c)	Income from Contract	158.97	81.23
(d)	Other operating revenues	20.54	22.89
	Total	**3,708.01**	**35,712.36**

Note	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
		₹ crs	₹ crs
(i)	Sale of products comprises		
	Sale of Contraceptive Products	250.69	274.63
	Sale of Healthcare Products	106.53	79.79
	Pharma Products	1,107.81	744.45
	Emergency supplies for COVID-19	1,405.05	32,302.42
	Sub Total	**2,870.08**	**33,401.29**
	Sale of services	578.47	574.69
	Covid services	79.95	1,632.26
	Income from Contract	158.97	81.23
	Other operating revenues	20.54	22.89
	Grand Total	**3,708.01**	**35,712.36**
	Other operating revenues comprise:		
	Duty Rebate / Duty drawback / Other export incentives	14.66	4.51
	Sale of scrap, waste condoms and other misc.items	5.80	4.68
	Sale of tender form	0.08	0.20
	Reimbursement of Expenses (for COVID-19 supplies)	-	13.50
	Total	**20.54**	**22.89**

Note 25. Other income			
	Particulars	**Year ended 1.03.2023**	**Year ended31.03.2022**
		₹ crs	₹ crs
(a)	Interest income (Refer Note (i) below)	26.46	3.15
(b)	Other non-operating income (Refer Note (ii) below)	53.31	23.47
	Total	**79.77**	**26.62**
Note	**Particulars**	**Year ended 1.03.2023**	**Year ended 1.03.2022**
		₹ crs	₹ crs
(i)	**Interest income comprises:**		
	a) On Others	26.32	3.01
	b) On Deposits	0.14	0.14
	Total - Interest income	**26.46**	**3.15**

(ii)	**Other non-operating income comprises:**		
	Rental income from Staff quarters	0.03	0.03
	Profit on sale of fixed assets	0.11	0.07
	Insurance claims	0.23	0.03
	Excess provision / credits written back	24.45	5.12
	Lease rent	3.98	4.27
	Dividend Income (from subsidiary-HLL Infra Tech Services Ltd)	10.00	8.00
	Exchange Fluctuation	6.12	0.45
	Other Misc.Income	8.39	5.50
	Total - Other non-operating income	**53.31**	**23.47**

Note 26. Cost of materials consumed

Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
Opening stock	33.93	37.86
Add: Purchases	257.05	205.61
	290.98	243.47
Less: Closing stock	31.52	33.93
Cost of material consumed	**259.46**	**209.54**
Material consumed comprises:		
Raw Materials	129.13	102.11
Chemicals	43.59	44.78
Packing Materials	73.73	53.75
Cost of quality and Sub contract Expense	0.10	0.09
Consumption of Scrap	12.78	8.71
Cost of Goods sold Materials	0.13	0.11
Total	**259.46**	**209.54**

Note 27. Purchases of stock-in-trade

Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
Trading Products	2,354.14	32,789.64
Social Marketing Branded Products	3.83	6.38
Total	**2,357.97**	**32,796.02**

Note 28. Changes in inventories of finished goods, work-in-progress and stock - in - trade		
Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	₹ crs	₹ crs
Inventories at the end of the year:		
Finished goods	225.92	130.08
Work-in-progress	27.32	18.01
	253.24	**148.09**
Inventories at the beginning of the year:		
Finished goods	130.08	259.04
Work-in-progress	18.01	18.42
	148.09	**277.45**
Net (increase) / decrease	**(105.15)**	**129.36**
TOTAL	**(105.15)**	**129.36**

Note 29. Employee benefits expense		
Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	₹ crs	₹ crs
(a) Salaries and incentives	189.20	202.20
(b) Contributions to -		
Provident fund	16.80	15.04
New pension scheme	2.55	2.36
Gratuity and Earned Leave	9.95	12.68
Contribution to ESI	1.00	1.07
(c) Staff welfare expenses	20.34	17.28
Total	**239.84**	**250.62**

Note 30. Finance costs		
Particulars	Year ended 31.03.2023	Year ended 1.03.2022
	₹ crs	₹ crs
(a) Interest expense on:		
(i) Cash credit	15.34	17.88
(ii) Term Loan	-	2.40
(b) Other borrowing costs	0.18	1.26
(c)Interest on Right of Use Assets(ROU)	1.95	2.57
Total	**17.47**	**24.11**

Note 31 Other expenses		
Particulars	Year ended 1.03.2023	Year ended 1.03.2022
	₹ crs	₹ crs
Advertisement & Publicity and Sales Promotion Expenses	35.16	31.18
HCS Direct expenses	351.38	364.92
Power & fuel charges	47.07	41.68
Freight & Other Selling Expenses	29.80	68.86
Travelling & Conveyance	10.90	9.08
Other Production expenses	15.37	15.39
Wages to Contract Labourers	64.83	55.04
Consultancy & Service Charges	85.88	828.35
Miscellaneous Expenses	18.34	21.18
Provision for bad & doubtful debts/Advances	17.59	177.97
Repairs & Maintenance Machinery	5.53	5.10
Postage & Telegram, Telephone	3.90	4.79
Research & Development Expenses	0.00	0.26
Corporate R&D Centre Expenses	5.56	5.02
Rent	13.43	7.58
Printing & Stationery	3.95	3.22
Repairs & maintenance of other assets	4.74	4.67
Water charges	2.17	1.83
Insurance charges	3.08	2.94
Bank Charges	2.10	2.32
Staff recruitment expenses	0.11	0.13
Rates & Taxes	1.96	2.21
Provision for obsolete stock written off	0.17	4.18
Obsolete store written off & Asset Write off/ Provision	0.32	0.86
Training program expenses	0.29	0.21
Repairs & maintenance of buildings	2.24	1.89
Bad debt & advances written off	28.22	2.25
Payments to auditors (Refer Note (i) below)*	0.24	0.21
Cost audit fees	0.05	0.05
Loss on sale of Fixed Assets	0.07	0.07
Corporate Social Responsibility expenses	5.49	1.65
Royalty paid	0.03	0.01
Total	**759.96**	**1,665.08**

Note (i) Payment to Auditors		
Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
(i) Payments to the auditors comprises		
Audit fees	0.16	0.16
Tax Audit fees	0.03	0.03
Audit expenses	0.05	0.02
Total	**0.24**	**0.21**

RATIOS:-

Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**	**Variance %**
(a) Current Ratio	**1.18**	**1.09**	**8.26%**
(Current Assets / Current Liabilities)			
Current Liabilities:-Current Liabilites - Lease obligation-current maturities of long term borrowings			
(b) Debt Equity Ratio	**0.62**	**0.25**	**150.08%**
(Debt/Equity)			
The high profits and low working capital utilisation in 2021-22 compared to low profits and high working capital utilisation resulted in variation.			
(c) Debt Service Coverage Ratio	**7.26**	**25.58**	**-71.60%**
(Net Operating Income / Debt Service)			
Net operating Income was high and borrowing was less during 2021-22 in comparison to high borrowing and low Net operating income during the current year resulting in variation			
(d) Return on Equity Ratio	**0.06**	**0.54**	**-88.84%**
(PAT/(Total equity))			
The high profits in 21-22 due to Covid operations led the variation in the ratio in comparison with current year profits and networth			
(e) Inventory Turnover Ratio	**10.12**	**123.29**	**-91.79%**
(Cost of Goods Sold/Average Inventory)			
The high turnover in Covid operations led to high cost of goods sold leading to high inventory turnover ratio in comparison with normal operations during the current year			

(f) Trade receivables Turnover Ratio	**2.06**	**15.30**	**-86.57%**
(Revenue from operations/Average Trade Receivables)			
The high turnover due to Covid Operations resulted in high ratio in comparison with normal operations during the current year			
(g) Trade Payables Turnover Ratio	**2.54**	**23.19**	**-89.06%**
(Cost of good sold/Average Trade Payables)			
The cost of Goods sold was high during previous year due to covid operations which lead to the variation in ratio			
(h) Working capital Turnover ratio	**12.19**	**83.75**	**-85.44%**
Revenue from operations/ Working Capital			
Revenue from operations was high due to covid operations and thus the working capital turnover ratio was high during previous year			
(i) Net Profit Ratio	**1.07%**	**1.13%**	**-5.28%**
(PAT/Net Sales)			
(j) Return on Capital Employed	**0.13**	**0.77**	**-82.81%**
(EBIT/(Capital Employed)			
EBIT was high due to Covid Operations during 21-22 resulting in higher ratio in comparison to normal operations of HLL.			
(k) Return on Investment	**60%**	**48%**	**25.00%**
(Income on Investments)/(Total Investments)			

Note 32: Financial Instruments (Refer Note:2.35)

A. Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The capital structure of the Company consists of net debt (borrowings as detailed in Note 19) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

₹ inCrs

Particulars	As at 31.03.2023	As at 31.03.2022
Borrowings	389.85	157.80
Equity Capital	15.54	15.54
Reserves & Surplus	643.30	731.88
Equity	658.84	747.42
Debt/ Equity	0.59:1	0.21:1

B. Categories of Financial Instruments

₹ in Crs

Particulars	As at 31.03.2023	As at 31.03.2022
Financial Assets		
a. Measured at Amortised Cost		
i) Trade Receivables	904.83	2,703.57
ii) Cash and cash equivalents	708.92	1,337.42
iii) Loans &Others	33.13	25.42
b. Mandatorily Measured at Fair value through Profit or Loss		
Derivative Asset		-
Financial Liabilities		
a. Measured at Amortised Cost	-	-
Financial Liabilities		
i) Borrowings	389.85	157.80
ii) Trade payables	924.12	1,056.20
iii) Other financial liabilities	124.27	413.46
iv) Right to Use Liability	20.30	28.26
b. Mandatorily Measured at Fair value through Profit or Loss		
Derivative Liability	-	-

C. Financial risk management

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

D. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

E. Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralized treasury division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are given below:-

Carrying value of Foreign Exchange Assets & Liabilities

As on March 31, 2023 (all amounts are in equivalent **₹ in Crs)**

	Liabilities			Assets			Net overall exposure on the currency-net assets / (net liabilities)
Currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	
USD	1.47		1.47	45.00		45.00	43.53
EUR	0.13		0.13	0.003		0.003	(0.13)
CHF	0.04		0.04				(0.04)
AED	-		-				-
GBP	0.01		0.01				(0.01)
Total	**1.65**		**1.65**	**45.003**		**45.003**	**43.36**

As on March 31, 2022 (all amounts are in equivalent ₹ inCrs):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	
USD	14.88		14.88	12.08		12.08	(2.8)
EUR	0.12		0.12	0.061		0.061	(0.059)
AED	0.04		0.041				(0.041)
CHF	0.13		0.13				(0.13)
GBP	-		-				-
Total	**15.17**		**15.17**	**12.14**		**12.14**	**(3.03)**

F. Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans, where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the Company's sensitivity movement in the foreign currencies.

₹ inCrs

	USD impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	0.87	(0.06)
	EURO Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0025)	(0.0012)
	GBP Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0003)	-

AED Impact		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	-	(0.0026)
CHF Impact		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0009)	(0.0008)

G. Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

H. Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both rupee and foreign currency loans at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides the possible impact in the profits for a change of 0.25% in interest rate, other factor remaining constant.

₹ inCrs

Borrowings	Effect on Profit before Tax	
	2022-23	**2021-22**
INR	0.68	0.79

I. Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Company's trade and other receivables consists of a large number of customers,acrossgeographies, hence the Company is not exposed to concentration risk. The Company makes an allowance for doubtful debts using expected credit loss model and, on a case, to case basis.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

J. Fair value Measurement

The management assesses that the fair value of Trade receivables, Cash and Cash equivalents, Bank Balances, Security deposits receivable & paid, Loans and advances to employees, other non-derivative current financial assets, Trade payables, other current financial liabilities approximate their carrying value.

K. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

L. Liquidity Table

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

₹ inCrs

Particulars	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount/ Contractual Cash Flow
March 31,2023				
Borrowings	389.85			389.85
Trade payables	924.12			924.12
Lease Obligations	9.80	11.40	1.94	23.14
Other financial liabilities	124.27			124.27
March 31,2022				
Borrowings	157.80	-	-	157.80
Trade payables	1056.20	-	-	1056.20
Lease Obligations	10.03	20.84	2.29	33.17
Other financial liabilities	413.46	-	-	413.46

Note 33: Employee Benefit Expenses (Refer Note 2.36)
Disclosures required under Ind AS 19 "Employee Benefits"

		Gratuity (Funded)		Compensated absences (Funded)	
		2022-23	2021-22	2022-23	2021-22
		in crs		in crs	
(i)	**Actuarial Assumptions**				
	Discount Rate (per annum)	0.07	0.07	0.07	0.07
	Expected rate of return on plan assets (per annum)	0.07	0.06	0.07	0.07
	Compensation escalation Rate (per annum)	0.07	0.07	0.07	0.07
	Mortality Rate	Indian Lives Mortality (1994-96) Ultimate Table			

(ii)	**Reconciliation of present value of obligations**				
	Present value of obligation at the beginning of the year	89.46	81.00	25.62	20.47
	Current service cost	4.21	4.10	11.02	10.78
	Interest cost	5.72	5.39	1.65	1.37
	Actuarial (gain)/loss on obligations	7.60	8.51	-7.61	(4.51)
	Benefits paid/Settlement	(17.48)	(9.54)	-4.95	(2.49)
	Present value of obligation at the end of the year	89.50	89.46	25.73	25.62
(iii)	**Reconciliation of fair value of plan assets**				
	Fair value of plan assets at the beginning of the year	61.27	56.16	18.59	12.53
	Expected return on plan assets	4.18	4.00	1.39	1.07
	Contributions by employer	13.49	10.41	6.90	7.48
	Transfer In/Acquisitions	0.00	0.00	0.00	0.00
	Benefits paid/Settlement	(17.48)	(9.54)	(4.95)	(2.49)
	Remeasurements- Return on Plan assets over expected return	(0.26)	0.23	(0.12)	0.00
	Fair value of plan assets at the end of the year	61.20	61.27	21.81	18.59
(iv)	**Description of plan assets managed assets**	61.20	61.27	21.81	18.59
(v)	**Major category of plan assets as % of total plan assets**				
	Equities	0%	0%	0%	0%
	Bonds	0%	0%	0%	0%
	Gilts	0%	0%	0%	0%
	Own Investment/ Properties	0%	0%	0%	0%
	Others- Insurer Managed Funds (LIC of India)*	100%	100%	100%	100%
	* In the absence of detailed information regarding plan assets which is funded by Insurance Company, the composition of each major category of plan assets, the percentage on amount of each category to the fair value of plan assets has not been disclosed.				
(vi)	**Net (Asset)/Liability recognised in the balance sheet as at the end of the year**				
	Present value of obligation at the end of the year	89.50	89.46	25.73	25.62
	Fair value of plan assets at the end of the year	61.19	61.27	21.81	18.59
	Net present value of funded obligation recognised as (asset) / liability in the balance sheet	(28.31)	(28.19)	(3.92)	(7.03)

(vii)	**Expenses recognised in the statement of profit and loss**				
	Current service cost	4.21	4.10	11.02	10.78
	Interest cost	5.72	5.39	1.65	1.37
	Return on plan assets	(4.18)	(4.00)	(1.39)	(1.07)
	Actuarial (gain)/loss recognised in the period	0.00	0.00	(7.49)	(4.51)
	Total expenses recognised in the statement of profit and loss for the year	5.74	5.49	3.79	6.57
(viii)	**Net Actuarial losses /(gains) recognised in Other Comprehensive Income**	7.86	8.28	(7.49)	(4.51)
	Actual return of plan assets	3.92	4.24	1.27	1.07
(ix)	**Non current and current value of obligation**				
	Non-current	23.08	22.16		3.51
	Current	5.68	6.03	3.92	3.52
	Total value of obligation				
(x)	**Amount recognised in current year and previous four years**				
	Gratuity (Funded)				
	Present value of defined benefit obligations	89.50	89.46	25.73	25.62
	Fair value of plan assets	61.19	61.27	21.81	18.59
	Funded status - (asset)/liability	(28.31)	(28.19)	(3.92)	(7.03)
	Actuarial (gain)/loss on plan obligations	7.60	8.51	(7.61)	(4.51)
	Actuarial (gain)/loss on plan assets	(0.26)	0.23	(0.12)	0.00

(xi)	**A quantitative sensitivity analysis for significant assumption (impact on defined benefit obligation) is as below:**		
	A. Gratuity (Funded)-		
		Year ended 31.03.2023	
		1% Increase	1% Decrease
	Discount Rate	85.81	93.61
	Salary increase rate	91.81	87.10
	Employee turnover	89.72	89.26
	B. Compensated absences (Funded)-		
		Year ended 31.03.2023	
		1% Increase	1% Decrease
	Discount Rate	24.11	27.58

	Salary increase rate	27.47	24.18
	Employee turnover	25.71	25.75
	In the above analysis the change in the factor is made with other factors remaining intact.		
	Undiscounted Cash flow over the years is the aggregate cash flow without discounting but keeping other factors intact and is the total payout for the current complement of staff.		

(xii)	**Maturity profile - future expected payments**		
	Time period (in years)	**Year ended 31.03.2023**	
		Gratuity (Funded)	Compensated absences (Funded)
	Less than or equal to 1	18.59	4.46
	2 - 5	49.68	13.50
	6 -10	26.36	8.49
	Above 10	26.94	23.90
(xiii)	**Note on key actuarial risks**		
(a)	Actuarial Risk- It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons. Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.		
(b)	Investment Risk - For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.		

(c)	Liquidity Risk - This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time. Employees with high salaries and long durations of service or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.
(d)	Market Risk - Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
(e)	Legislative Risk- Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point and the same will have to be recognized immediately in the year when any such amendment is effective.
Notes:	
1	The above disclosures are based on information certified by the independent actuary and relied upon by the company.
2	The plan assets of the company are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Company with respect to its Gratuity and Compensated Absences Plan. Information on categories of plan assets is not available with the company

NOTE: 34 CONTINGENT LIABILITIES & CONTINGENT ASSETS (REF:2.37)

Contingent liabilities and commitments (to the extent not provided for)			2022-23	2021-22
			Rs. In Cr	**Rs. in Cr.**
(I) Contingent Liabilities				
	(i)	Income Tax		
		(a) Income Tax demands against the Company not acknowledged as debt and not provided for in respect of which the Company is in appeal and exclusive of the similar matters in respect of pending assessments and interest.	5.05	5.30
		(b) Sales Tax & Service Tax Claims against the Co. not acknowledged as debt	35.49	36.07
	(ii)	Claims against the Company not acknowledged as debts	326.40	349.55
	(iii)	Bank Guarantees to Govt. Departments. (Net of Margin Money)	84.48	68.57
	(iv)	Bank Guarantees to others(net of margin money)	1.70	1.59

	(v)	Corporate Guarantees issued and outstanding as on date	88.92	106.45
	(vi)	Letter of Credits (net of Margin Money)	0.29	2.42
	(vii)	Others	1.30	0.57
TOTAL			**543.63**	**570.52**
(II) Commitments				
	(i)	Pending rebate claim for which appeals filed	**-**	**0.01**
TOTAL			**-**	**0.01**
(III) Contingent Assets				
Arbitration award in favour of the company in the legal case with state Innovations in Family Planning Services Agency (SIFPSA)			**26.84**	**26.84**
Notes				
"Contingent liability has been calculated as Principal plus Interest @ 12% p.a. The claims made by the claimants have ranged from 8-24%. However, keeping in view the statutory interest levies like Income Tax and principle of Natural Justice, the rate of interest for all claims have been taken @ 12% p.a. in cases where the interest is above 12% p.a. Interest on contingent assets have not been considered				
Claims not acknowledged as debts include Rs. 8.71 Crores against which a bank guarantee of Rs. 7.31 Cr is submitted to Court. Hence Rs. 7.31 Cr is excluded from Bank Guarantee to avoid duplication.				
Claims not acknowledged as debts does not include any opportunity cost/loss claimed by the petitioner				

Note : 35 Related Party Disclosure (Refer Note. 2.38)

Disclosure in respect of related party pursuant to Ind AS 24

Description of Relation	**Names**
Subsidiaries	Goa Antibiotics & Pharmaceuticals Limited (GAPL)
	HLL InfraTech Services Limited (HITES)
	HLL Mother & Child Care Hospitals Limited(HMCCHL)
Joint Venture	Life Spring Hospital Private Ltd (LSH)
Associates	Hindustan Latex Family Planning Promotion Trust (HLFPPT)
	HLL Management Academy (HMA)
	HLL Pratheeksha Charitable Society

Key Management Personnel (KMP)	**A. Chairman & Managing Directors,Whole Time Directors, Company Secretary & CFO**
	Shri. K.Beji George ,IRTS Chairman & Managing Director (CMD)
	Shri. T. Rajasekar- Director (Marketing) (ceased to be Director (Marketing) on 31/03/2023)
	Dr. Geeta Sharma- Director (Finance)
	Shri E A Subramanian, Director (Technical & Operations) (Ceased to be Director (Technical & Operations) on 30/04/2022)
	Dr. Anitha Thampi- Director (Technical and Operations) (appointed w.e.f 03/01/2023)
	Shri. Santhosh Cherian.C - SVP(F) i/c & CFO (ceased to be SVP(F) i/c & CFO on 30/12/2022)
	Shri Remesh P - VP Finance & CFO (appointed w.e.f 07/01/2023)
	Shri. Jaikrishnan A.R - Company Secretary
	B. Independent Directors
	Dr. P Vijaychander Reddy (ceased to be Director on 27/01/2023)
	Prof.(Dr.) Adarsh Pal Vig
	Smt.Neeta Boochra
	C. Government Nominee Directors
	Shri.Ashish Srivastava IAS (ceased to be Director on 18/10/2022)
	Shri Jaideep Kumar Mishra ICAS (appointed as Director with effect from 18/10/2022
	Smt.Roli Singh IAS
Remuneration to Key Managerial Personnel	₹3.32 crores (Previous period - ₹2.74 crores)(details enclosed as annexure-1)

Note : 35 Related Party Disclosure (Refer Note. 2.38)

Significant Related Party Transactions (₹ crs)

Sr. No.	Disclosure in respect of related party pursuant to Ind AS 24	Control	2022-23	2021-22
1	**Sales/Claims**			
	Hindustan Latex Family Planning Promotion Trust (HLFPPT)	100%	0.31	2.08
	HLL Management Academy (HMA)	100%	1.27	-
2	**Purchases**			
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	0.26	0.12
3	**Rental Income**			
	HLL InfraTech Services Limited (HITES)	100%	3.16	2.79
	Hindustan Latex Family Planning Promotion Trust (HLFPPT)	100%	0.60	0.57

4	**Income from Consultancy/Service**			
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	1.13	0.88
	HLL InfraTech Services Limited (HITES)	100%	1.84	1.55
	Hindustan Latex Family Planning Promotion Trust (HLFPPT)	100%	0.63	0.20
	Life Spring Hospital Private Ltd (LSH)	50%	-	-
	HLL Management Academy (HMA)	100%	0.81	0.05
5	**Income from dividend**			
	HLL InfraTech Services Limited (HITES)	100%	10.00	8.00
6	**Salaries & Allowances**			
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	0.75	0.63
	HLL Management Academy (HMA)	100%	0.42	0.20
7	**Other Expenses**			
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	0.01	0.02
	HLL InfraTech Services Limited (HITES)	100%	1.87	2.06
	HLL Management Academy (HMA)		0.01	0.01
8	**Sundry Debtors**			
	Hindustan Latex Family Planning Promotion Trust (HLFPPT)	100%	0.82	3.88
	Life Spring Hospital Private Ltd (LSH)	50%	-	0.11
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	10.95	7.50
	HLL InfraTech Services Limited (HITES)	100%	1.90	2.93
	HLL Management Academy (HMA)	100%	2.35	-
9	**Advances given**			
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	5.11	-
	HLL Management Academy (HMA)	100%	4.26	4.26
10	**Sundry Creditors**			
	Hindustan Latex Family Planning Promotion Trust (HLFPPT)	100%	-	0.40
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	-	0.36
	HLL InfraTech Services Limited (HITES)	100%	0.01	3.53
	HLL Management Academy (HMA)	100%	0.18	0.20
11	**Investment in Shares**			
	Life Spring Hospital Private Ltd (LSH)	50%	9.51	9.51
	Goa Antibiotics & Pharmaceuticals Limited (GAPL)	74%	7.09	7.09
	HLL InfraTech Services Limited (HITES)	100%	0.05	0.05
12	**Other Liabilities**			
	Pratheeksha Charitable Society	100%	0.01	0.01

	Government related entities where significant transactions carried out
	Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:
	*HLFPPT & HMA are the designated agencies for CSR activities for HLL Lifecare Ltd
	Name of Government: Government of India (Central and State Government)
	Nature of Transactions:
	· Sale of Products and Services
	· Other Expenses
	· Sundry Debtors
	· Other Liabilities
	These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not government related.

Annexure I: Note 35

Remuneration of Key Managerial Personnel

Rs in cr

Key managerial Personnel	Short Term employee Benefit	Post employment Benefit *	Other long term employee benefit	Terminal Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross) / Advance receivables
Shri. K.Beji George	0.56	-	-	-	0.56		-
Shri.E.A.Subramanian (upto Apr 2022)	0.04	-	-	0.32	0.36	-	-
Shri.Rajasekar T (upto March 2023)	0.54	-	-	0.42	0.96	-	-
Smt.Dr.Geeta Sharma	0.67	-	-	-	0.67	-	-
Smt.Dr.Anitha Thampi (w.e.f Jan 2023)	0.11	-	-	-	0.11	-	0.001
Shri.Santhosh Cherian C (upto Dec 2022)	0.27	-	-	-	0.27	-	-
Shri.Remesh.P (w.e.f Jan 2023)	0.12	-	-	-	0.12	-	0.001
Shri.Jai Krishnan A R	0.28	-	-	-	0.28	-	0.001
Dr.P.Vijayachander Reddy	-	-	-	-	-	0.03	-
Shri.Adarsh Pal Vig	-	-	-	-	-	0.03	-
Smt.Neeta Boochra	-	-	-	-	-	0.03	-
Total	**2.57**	-	-	**0.74**	**3.32**	**0.10**	**0.004**

Additional disclosure						
						Rs in cr
Key managerial Personnel	**Salaries & Allowance**	**Contribution to PF**	**Contribution to CPS / Pension**	**Other benefits & Perks**	**Terminal Benefits**	**Total**
Shri. K.Beji George	0.54	-	-	0.01	-	**0.56**
Shri.E.A.Subramanian (upto Apr 2022)	0.03	0.00	0.00	0.00	0.32	**0.36**
Shri.Rajasekar T (upto March 2023)	0.46	0.04	0.01	0.03	0.42	**0.96**
Smt.Dr.Geeta Sharma	0.61	0.04	0.01	0.00	-	**0.67**
Smt.Dr.Anitha Thampi (w.e.f Jan 2023)	0.09	0.01	0.00	0.01	-	**0.11**
Shri.Santhosh Cherian C (upto Dec 2022)	0.25	0.02	0.00	0.00	-	**0.27**
Shri.Remesh.P (w.e.f Jan 2023)	0.11	0.01	0.00	-	-	**0.12**
Shri.Jai Krishnan A R	0.26	0.02	0.01	-	-	**0.28**

*** Post-employment benefits are actuarially determined/paid on overall basis, and not ascertainable on individual basis**

Note 36: Disclosure Under Ind AS-108 Segment Reporting (Refer Note:-2.39)

Rs in cr

Particulars	2022-23								2021-22							
Segment Revenue	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**
Revenue from operations	292.93	492.76	1,026.87	236.85	1,485.01	167.05	6.54	3,708.01	286.87	486.58	705.14	162.09	33,948.11	121.00	2.57	35,712.36
Other Operating Revenue	-	-	-	-	-	-	79.77	79.77	-	-	-	-	-	-	26.62	26.62
Total	**292.93**	**492.76**	**1,026.87**	**236.85**	**1,485.01**	**167.05**	**86.31**	**3,787.78**	**286.87**	**486.58**	**705.14**	**162.09**	**33,948.11**	**121.00**	**29.19**	**35,738.98**
Profit before Tax	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**
Profit before Interest & Tax	(96.67)	8.26	81.37	19.65	49.38	(11.11)	(43.99)	6.89	(99.21)	25.95	13.28	7.31	835.27	(20.67)	(216.47)	545.46
Less:- Interest	4.01	4.61	6.23	2.17	-	0.50	(0.05)	17.47	6.92	4.58	4.12	5.12	-	-	3.37	24.11
Add:-Other unallocable income	-	-	-	-	-	-	79.77	79.77	-	-	-	-	-	-	26.62	26.62
Profit before tax	**(100.68)**	**3.65**	**75.14**	**17.48**	**49.38**	**(11.61)**	**35.83**	**69.19**	**(106.13)**	**21.37**	**9.16**	**2.19**	**835.27**	**(20.67)**	**(193.22)**	**547.97**
Capital Employed	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**	**Contra**	**Diagnostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**
(a)Fixed Assets	98.78	35.51	7.98	17.98	-	21.43	59.87	241.55	101.40	45.96	7.40	13.62	-	35.09	63.73	267.20
(b)Financial assets	-	-	-	-	-	-	126.42	126.42	-	-	-	-	-	-	108.39	108.39
(c)Current Assets	273.79	124.60	1,336.40	(564.85)	403.49	236.90	297.79	2,108.12	85.60	76.36	1,126.47	(70.76)	3,509.99	108.70	353.96	5,190.32
(a+b+c)	**372.57**	**160.11**	**1,344.38**	**(546.87)**	**403.49**	**258.33**	**484.08**	**2,476.09**	**187.00**	**122.32**	**1,133.87**	**(57.14)**	**3,509.99**	**143.79**	**526.08**	**5,565.91**

Current Liabilities	127.01	179.94	1,034.60	(907.64)	2,238.90	(941.43)	64.07	1,795.45	(455.78)	86.07	788.67	(604.02)	5,337.16	(509.17)	112.91	4,755.84
Non-current Liabities	-	-	-	-	-	-	21.80	21.80	-	-	-	-	-	-	62.65	62.65
Capital Employed Allocation	**245.56**	**(19.83)**	**309.78**	**360.77**	**(1,835.41)**	**1,199.76**	**398.21**	**658.84**	**642.78**	**36.25**	**345.20**	**546.88**	**(1,827.17)**	**652.96**	**350.52**	**747.42**
Total Capital Employed								**658.84**								**747.42**

2. Secondary Segment Information - Geographical

Revenue	**2022-23**	**2021-22**
India	3,630.06	35,648.75
Outside India	157.72	90.23
	3,787.78	**35,738.98**
Capital Employed	**2022-23**	**2021-22**
India	658.84	747.42
Outside India	-	-
	658.84	**747.42**

Note 37 Income Taxes (Refer Note 2.40)		
Income tax relating to continuing operations		
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Current Tax	26.95	191.30
Adjustments/(credits) related to previous years-Net		
Income Tax	1.57	1.00
Mat Credit Entitlement	-	-
Reversal of MAT Credit	-	-
Deferred Tax Asset/ (Liability)		
In respect of the current year	71.89	70.82
In respect of the previous year	-70.82	-20.02
Total Income Tax expense recognised in Profit & Loss	**27.45**	**141.50**
Income Tax expense for the year reconciled to the accounting profit:		
Profit before Tax	**69.19**	**551.81**
Income Tax Rate*	25.168%	25.168%
Income Tax expense as per Book Profits	**17.41**	**138.88**
Effect of Expenses not allowed	5.59	1.65
Effect of Income not taxable	-	-8.00
Effect of Depreciation and Amortisations	1.51	5.96
Effect of Provisions	20.15	209.34
Effect of Sale of Assets	(0.03)	0.01
Effect of Leases	(0.04)	0.61
Effect of other income	10.70	-1.28
Total	**37.88**	**208.29**
Income as per Income Tax	**107.07**	**760.10**
Less:Carry forward of losses	-	-
Taxable Income	**107.07**	**760.10**
	26.95	**191.30**

Effect of deductible temporary differences		
Deferred Tax Assets		
Effect of Depreciation-Asset	50.71	51.92
Effect of provisions related to Inventory	1.18	1.34
Effect of provisions related to Employee payments and deductions	72.01	72.67
Effect to Leased Assets	5.11	7.09
Total (A)	**129.01**	**133.02**
Deferred Tax Liabilties		
Effect to Lease	4.95	6.93
Effect of Depreciation-Liability	52.17	55.27
Total (B)	**57.12**	**62.20**
Net Deferred Tax Assets (A)-(B)	**71.89**	**70.82**
Income Tax recognised in other comprehensive income		
Remeasurement of defined benefit obligation	-1.98	-2.08

For and on behalf of the Board of Directors
Vide our report of even date attached

Vide our report of even date attached
For Sridhar & Co
Chartered Accountants
Firm No: 003978S

K.Beji George,IRTS
Chairman &
Managing Director
[DIN: 08419099]

Dr.Geeta Sharma
Director (F)
[DIN: 08225251]

Remesh.P
VP(F) & CFO
[ACMA:19552]

Jaikrishnan A.R
Company Secretary
[ACS:14328]

CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

ANNEXURE I - Referred to in Note No. 2.9

Assets and Liabilities of Projects under implementation as on 31st March 2023

Projects	ASSETS						LIABILITIES		Total (₹ in crs)	
	Cash & Bank balances held under trust with HLL		Other Assets		Total Assets		Current Liabilities			
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
ID North										
Acharya Barihar RGL Cancer Care Cuttak	1.45	1.43	0.08	0.04	1.53	1.46	1.53	1.46	1.53	1.46
Aigrah Medical College (PMSSY)	18.96	18.60	0.95	0.35	19.91	18.95	19.91	18.95	19.91	18.95
CGHS	3.01	2.74	0.26	0.21	3.27	2.95	3.27	2.95	3.27	2.95
IPC (Gaziabad)	4.95	11.78	0.30	1.60	5.25	13.37	5.25	13.37	5.25	13.37
NEIFM Pasighat under AYUSH	2.53	3.19	1.02	1.02	3.56	4.21	3.56	4.21	3.56	4.21
NIPS / RIPS	51.60	52.63	6.12	4.64	57.72	57.26	57.72	57.26	57.72	57.26
PGIMS Rohtak	22.26	24.36	0.83	0.27	23.10	24.63	23.10	24.63	23.10	24.63
PMSSY Residential project (Rishikesh & Patna)	4.10	4.03	0.58	0.47	4.68	4.50	4.68	4.24	4.68	4.24
RIPANS-AIZAWL-MIZORA	30.74	25.93	11.90	26.03	42.64	51.96	42.64	51.96	42.64	51.96
Other Projects	-	0.00	0.14	0.14	0.14	0.14	0.14	0.41	0.14	0.41
ID North Total	**139.60**	**144.68**	**22.18**	**34.76**	**161.78**	**179.44**	**161.78**	**179.44**	**161.78**	**179.44**
ID South										
JIPMER	5.54	8.67	0.28	0.37	5.81	9.04	5.81	9.04	5.81	9.04
MMC	16.76	18.49	0.18	1.88	16.94	20.38	16.94	20.38	16.94	20.38
MC Konni	1.90	1.82	17.37	17.37	19.28	19.19	19.28	19.19	19.28	19.19
MC Kozhikode Projects	2.85	2.69	1.05	1.05	3.89	3.73	3.89	3.73	3.89	3.73
MCTrivandrum Projects	2.52	2.39	0.17	0.16	2.69	2.55	2.69	2.55	2.69	2.55
Industries Department Projects	8.59	8.26	0.24	0.22	8.82	8.48	8.82	8.48	8.82	8.48
KSSTM	3.58	3.65	0.99	1.24	4.57	4.89	4.57	4.89	4.57	4.89
Malabar Cancer Center	0.11	0.10	-0.93	(23.79)	(0.82)	(23.69)	(0.82)	(23.69)	(0.82)	(23.69)
NRHM	0.07	0.12	3.07	3.48	3.14	3.59	3.14	3.59	3.14	3.59
Other Projects	1.36	1.25	14.17	14.08	15.54	15.33	15.54	15.33	15.54	15.33

TRIDA	0.37	0.34	0.10	0.10	0.47	0.44	0.47	0.44	0.47	0.44
Dental College Alappuzha	0.44	0.43	0.05	0.05	0.49	0.49	0.49	0.49	0.49	0.49
ID South Total	**44.07**	**48.23**	**36.75**	**16.21**	**80.82**	**64.43**	**80.82**	**64.43**	**80.82**	**64.43**
PCD										
AIIMS LIKE INSTITUTE	98.69	117.19	102.35	99.25	201.04	216.44	201.04	216.44	201.04	216.44
Central drug standard control organisation	8.20	13.92	3.62	2.91	11.83	16.83	11.83	16.83	11.83	16.83
GMC&H NAGPUR	9.98	9.29	5.47	5.53	15.44	14.83	15.44	14.83	15.44	14.83
GMSD_COLD PCD	11.74	11.31	0.21	0.20	11.94	11.50	11.94	11.50	11.94	11.50
Govt. National capital territory, delhi	8.06	7.71	7.86	7.92	15.92	15.62	15.92	15.62	15.92	15.62
IMMUNIZATION	43.03	35.04	1.48	1.13	44.50	36.17	44.50	36.17	44.50	36.17
International Institure of Population Sciences	3.19	3.05	0.10	0.15	3.29	3.21	3.29	3.21	3.29	3.21
Municipal corporation of delhi	1.47	2.94	3.56	2.73	5.03	5.67	5.03	5.67	5.03	5.67
NACO PCD	2.72	2.62	1.03	1.03	3.75	3.65	3.75	3.65	3.75	3.65
Other Projects	38.27	37.18	12.99	8.38	51.25	45.56	51.25	45.56	51.25	45.56
PGIMS Rohtak	18.03	18.83	2.43	2.52	20.47	21.34	20.47	21.34	20.47	21.34
PMSSY PCD	76.10	72.02	23.26	24.23	99.36	96.26	99.36	96.26	99.36	96.26
PCD Total	**319.47**	**331.10**	**164.35**	**155.98**	**483.83**	**487.08**	**483.83**	**487.08**	**483.83**	**487.08**
Vaccine Projects	**1.37**	**3.93**	**3.39**	**2.38**	**4.77**	**6.31**	**4.77**	**6.31**	**4.77**	**6.31**
MCS & AIIA Project	**278.34**	**777.81**	**5.41**	**(754.22)**	**283.74**	**23.59**	**283.74**	**23.59**	**283.74**	**23.59**
Grand Total	**782.86**	**1,305.75**	**232.08**	**(544.89)**	**1,014.93**	**760.86**	**1,014.93**	**760.86**	**1,014.93**	**760.86**

CONSOLIDATED FINANCIAL STATEMENT 2022-23

Independent Auditor's Report

To

the Members of HLL Life care Limited
Poojapura, Kerala-695012

Report on the Audit of the Consolidated Financial Statements

Issued by revising the report dated 06.09.2023 with UDIN 23205660BGSTAE5899 for the reasons given in para 24 under Other Matters section and this may be treated as the report of even date referred in the financial statements bearing the aforementioned UDIN.

Qualified Opinion

1. We have audited the accompanying Consolidated Financial Statements of HLL Life care Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31st March 2023, its Consolidated Profit, Consolidated Total Comprehensive Income, the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis of Qualified Opinion

3. The Holding company and its subsidiaries follow the same accounting policies except for the following three cases :

i. As per Note No.1.5 of Consolidated Financial Statements, which describes treatment of Group's intangible assets, Trademark/Patents are amortized over a period of 5 years. However, in the case of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary, trademark expenses are amortized over a period of 10 years from the date of recognition.

ii. As per Note No.1.3 of Consolidated Financial Statements which describes treatment of Group's Property, Plant and Equipment, depreciation has been charged on Straight line method for all assets under Plant & Machinery and written down value method for other assets (except intangible asset and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice. However, in case of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary, depreciation for all assets is recognized so as to write off the cost of assets (other than freehold land, leasehold land, leasehold improvements and properties under construction) less their residual values over their useful lives, using straight-line method.

iii. As per Note No.1.10 of Consolidated Financial Statements, the Group has adopted a model for measuring lifetime expected credit loss (ECL) allowance for trade receivables, which determines the expected credit losses as the probability-weighted estimate of credit losses. However, in the case of Hll Infra Tech Services Limited (HITES), a subsidiary, the provision for doubtful debt are made in respect of governments or relates agencies or institutions if circumstances evident that the realization of receivable are doubtful and trade receivable from private and other client will be considered as doubtful if the same is not realized within 3 years from billing date.

. In the absence of sufficient data, we are unable to quantify the impact of the above three deviations on the Consolidated Financial Statements.

4. We draw your attention to the following qualification to the audit opinion of the financial statements of HLL Lifecare Limited, the Holding Company issued vide our report of even date, reproduced as under ;

i. Non-Current Tax Asset (Note: 8) include Tax deducted at Source on the payments made to the company by various third parties. Since, as disclosed in Note 8, reconciliation of the same with the data available in Form 26AS is not complete, we are unable to express an opinion on extend of the realisability of the said amount.

ii. Other current assets (Note 14) include the Goods and Service Tax (GST) / VAT/ ST input of Rs 124.99 Cr. Since the reconciliation of the input credit as per books of accounts and Ledgers and data available in the GST portal is not yet completed by the company, the reasonable accuracy of the aforesaid amount could not be assessed by us.

5. We draw attention to the following qualification to the audit opinion of the financial statements of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary issued by an independent firm of Chartered Accountants vide its Report dated 23.08.2023 reproduced as under with suitable modification for the reference to the accompanying financial statements;

i. The Company has not measured expected credit losses of financial assets as per requirements of IND-AS 109 Financial Instruments. Expected credit losses are required to be measured to reflect;

   a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

   b. the time value of money; and

   c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ii. Out of Trade Receivables of GAPL (net of allowance for expected credit loss provided in the past) of Rs. 28 Crore included in Note No.10 of consolidated financial statements;

   a. Rs,4.30 Crores is receivable from parties who filed insolvency petitions before the NCLT,

   b. Rs.0.70 Crores are contested before Courts and,

   c. As per the information and explanations given to us, other receivables of Rs.2.74 Crores are also doubtful of recovery.

   Had the aforesaid provisions been recognised in the financial statements, Trade Receivables would have been lower by Rs. 7.74 crores and balance of Other Equity (Reserves and Surplus) – Note No. 16 to consolidated financial statement and non-controlling interest would have been lower/(higher) by respective share of Rs.7.74 crores attributable to owners and minority interest.

iii. Provision for Depreciation under SLM is computed on total cost of an asset over its useful Life except the last year wherein the balance amount left out above 5% of the cost of the asset is provided. This method is not as per the requirements of Schedule II of the Act. Effect of the same for the year is not ascertained.

In the absence of sufficient data, we are unable to quantify the impact of the above qualifications on the Consolidated Financial Statements.

6. We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the of the Consolidated Financial Statements under the provisions of the Act and the Rules there under, 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 qualified opinion on the Consolidated Financial Statements.

Emphasis of Matter

7. We draw attention to the matters detailed below.
   i. Note No.2.17 of the Consolidated Financial Statements on the status of the strike of process of HLL Mother & Child Care Hospitals Limited, a subsidiary, and exclusion of it from the consolidation of the Group.
   ii. Note No 2.1 of the Consolidated Financial Statements, which describes the practice regarding provisioning of interest under section 16 of the Micro, Small& Medium Enterprises, Development Act.
   iii. Note No 2.30 of the Consolidated Financial Statements on the confirmation of balance and reconciliation.
   iv. As regard to Goa Antibiotics and Pharmaceuticals Limited (GAPL), the component auditor has drawn attention the following matters in their independent auditors report dated 23.08.2023, which are reproduced as under with suitable modification for the reference to the accompanying financial statements:
      a. Capital work-In-Progress of Rs. 0.10 crores represents amount paid towards registration of trademarks. Documentary proof of renewal of such trademarks is not received by the Company. Accordingly, the said amount is not capitalized under intangible assets or amortized. (Refer Note No.3 to the consolidated financial statements)
      b. Letters asking confirmation of balances were sent to four parties of Trade Receivables and ten parties of Trade Payables but only one has responded. Except as stated above, letters asking confirmation of balances were not sent to other parties of Trade Receivables and Trade Payables, Loans and Advances, Claims and Advances to Suppliers. (Refer Note No.2.30 to the consolidated financial statements).

8. As regard to HLL Infra Tech Services Limited (HITES), the component auditor has drawn attention the following matters in their independent auditors report dated 07.08.2023, which are reproduced as under with suitable modification for the reference to the accompanying financial statements:
   a. Note 2.6.(f)(ii) of Explanatory/ Clarificatory notes regarding CSR to be deposited in fund specified in Schedule VII amounting to Rs 0.50 crores as the company does not have any ongoing projects of CSR.
   b. Note 2.35 of Explanatory/Clarification notes regarding Performance Related Payment (PRP), a provision of Rs. 1.49 Crores has been made for PRP during the financial year.
   c Note 2.37 of Explanatory/ Clarificatory notes regarding GST input credit of Rs.60.65 crores (approx.) which is reflected in GSTR 2B of the Company. However, not claimed by the company as company is not eligible to claim this.
   d. Note 2.38 of Explanatory/ Clarification notes regarding claiming of TDS receivable of Rs 3.16 Crores (approx.) pertaining to interest on Project's mobilization advances and short-term deposits which is part of

project funds and not income of the company.

e. HITES has undertaken projects under Procurement & Consultancy Division (PCD) and Infrastructure Division (ID), during the year. Under such projects, the company controls the specified good or service before that good or service is transferred to a customer, and hence the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the company is a principal). The company, however, has not recognized revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred. As stated in the Note 2.39 of Explanatory /Clarificatory notes. to the Financial Statements, in case of projects under PCD & ID, the company has considered only Consultancy Fee as Transaction Value as per the terms of contract considering its status as Pure Agent as the entire material is being purchased / imported by the company on behalf of MoHFW (Govt. of India) by using its GSTIN& IEC Code and the said material is being supplied directly at the site of the respective project. The impact of the said transactions on the profit of the company is Nil. This constitutes a difference of opinion on transaction value as per Ind AS115 prescribed under section 133 of the Companies Act, 2013 and the transaction value considered by the company. Accordingly, the cost of material purchased locally & imported should form a part of Transaction Value for the purpose of accounting only. While framing our Audit Report, we have relied upon the opinions obtained by the Company from the experts on the subject on accounting treatment of Revenue Recognition specifically in case of Procurement & Consultancy Division and Infrastructure Division of the company.

9. Our opinion is not modified in respect of the above matters.

Material Uncertainty related to Going Concern ,

10. As regard to Goa Antibiotics and Pharmaceuticals Limited (GAPL), the component auditor has drawn attention the following matters in their independent auditors report dated 23.08.2023, which is reproduced as under with suitable modification for the reference to the accompanying financial statements and to the company;

'Component auditor is drawing attention to Note No. 2.16 to the accompanying financial statements which describes that the GAPL has incurred continuous cash losses since 2018-19 which resulted in negative networth. The GAPL has incurred a net loss (after other comprehensive income) of Rs.5.25 crores for the year ended March 31,2023 and as at the end of that date, the GAPL's accumulated losses amounts to Rs.41.57 crores which resulted in complete erosion of net worth of GAPL and the current liabilities have exceeded its current assets by Rs.13.95 crores as at March 31,2023.These conditions and other matters set forth in the aforesaid note including re-negotiation of payment terms to various parties, management is of the view that the going concern basis of accounting is appropriate.

In relation to the above, the component auditor's audit work included, but was not restricted to, following procedures:

- Obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the GAPL's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition;
- Obtained the cash flow for the next twelve months from the GAPL's management, basis their future business plans;
- Held discussion with the GAPL's management personnel to understand the assumptions used and estimates made by them for determining the cash flow projections for the next twelve months.
- Evaluated the reasonableness of the key assumptions such as expected growth in the revenue, expected savings in cost etc, based on the historical data trends, future trends, existing conditions and business plans;
- Tested arithmetical accuracy of the calculations; and

- Evaluated the appropriateness and adequacy of disclosures in the GAPL's financial statements with respect to this matter in accordance with applicable accounting standards.

Our opinion is not modified in respect of this matter.'

Key Audit Matters

11. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the holding company of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole of the holding company, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. Key Information technology (IT) systems used in financial reporting process of the Holding Company, as reported by us in the auditors' report to the standalone financial statement as the independent auditor of the Holding company.

Key Audit Matter Description

The holding company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. Also, the holding company is using an older version of the SAP ERP Solution implemented long back and hence could not be used now as a full-fledged end to end solution, necessitating manual calculations at certain levels for reporting purposes. Data from various other software used by the holding company, some of which are handling large transaction volumes at multiple locations, are also captured into SAP through integration interfaces. A comprehensive system testing and review of the present software environment is pending. We have identified 'IT systems and controls' as key audit matter of the holding company because of the use of older version, manual calculation for reporting purpose and the use of multiple software without a recent comprehensive test and review.

How the matter was addressed in our audit

Principal Audit Procedures Performed

We focused on user access management, master management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.

We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, design and operating effectiveness of key controls over user access management and preventive controls designed to enforce segregation of duties. For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine that these control remained unchanged during the year or were changed following the standard change management process. Other areas that were assessed included security configurations and system interface controls.

We have identified the manual calculation areas and performed additional test to obtain reasonable assurance to form our opinion. We have tested samples in key areas of concern to ensure the effectiveness of the control system in force.

B. Internal Control as reported by us in the auditors' report to the standalone financial statement as the independent auditor of the Holding company

Key Audit Matter Description

We have identified material weaknesses in the operating effectiveness of the holding Company's internal control over financial reporting. These material weaknesses are detailed in the Qualified Opinion section of our separate report, as presented in Annexure 1. The existence of material weaknesses in the holding Company's internal control over financial reporting poses a significant risk to the reliability and accuracy of its financial statements. These weaknesses indicate deficiencies in the implementation and monitoring of controls necessary to prevent or detect material misstatements in the financial statements of the holding Company.

Given the identified material weaknesses, there is an elevated risk that the holding Company's internal financial controls may fail to prevent or detect material misstatements in its financial statements. The inadequacy of internal controls increases the probability of errors, omissions, or fraudulent activities not being detected in a timely manner. This could potentially result in financial statements that do not fairly present the financial position, results of operations, and cash flows of the holding Company.

Due to the significance of these internal control material weaknesses, we consider them to be a key audit matter.

How the matter was addressed in our audit

Principal Audit Procedures Performed

Given the significance of these material weaknesses, we have implemented an audit approach that focuses on addressing the identified material weaknesses. We performed extensive in- depth testing to assess the impact of these material weaknesses on the financial statements and to determine whether any material misstatements were not prevented or detected by the internal controls. We also carried out enhanced substantive procedures to independently verify balances, transactions, and disclosures that are most susceptible to misstatement due to the identified material weaknesses.

While our audit did not identify any material misstatements in the financial statements, the presence of material weaknesses necessitates that users of the financial statements exercise caution and consider the potential impact on the reliability of the reported financial information of the holding company.

C. Revenue Recognition as reported in the auditors' report to the standalone financial statement by component auditors of HLL Infra Tech Services Limited (HITES).

Key Audit Matter Description

IND AS 115 - Revenue from Contracts with customers is effective from 01st April 2018. IND AS 115 requires revenue to be recognized when the entity transfers the control of goods or services to customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable as per contract. The implementation of IND AS 115 has not significantly impacted the revenue recognition of HITES.

Rendering of services:

Revenue from services is recognized when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured. Revenues from maintenance contracts are recognized pro rata over the period of the contract. Revenue from Infrastructure development division and Procurement Consultancy division related activities are recognized on proportionate completion method as follows:

a. In case of turnkey contracts, on the basis of progress billing to the contract value under Survey method.

b. In the case of other contracts, on the basis of completion of obligation of the consultancy fee as per the terms of contract with the agencies concerned. Revenue from the Facility Management Division and Bio Medical Engineering division is recognized based on the approval of the client for the services rendered to the client.

Other Operating Revenues:

Other operating revenue comprises of income from ancillary activities incidental to the operations of HITES and is recognized when the right to receive the income is established as per the terms of the contract. The revenue from sale of tender is recognized on cash basis.

Other Income: Interest

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to HITES and the amount of income can be measured reliably).

Auditor's Response

Principal Audit Procedures Performed

Component auditor's audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether HITES is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following. Among others:

- Component Auditor tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether HITES is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method.
- Component Auditor selected a sample of contracts with customers and performed the following procedures:
  - Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.
  - Identified significant terms and deliverables in the contract to assess management's conclusions regarding the
    (i) Identification of distinct performance obligations;
    (ii) Whether HITES is acting as a principal or an agent; and
    (iii) Whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.

D. Impairment of Assets as reported in the auditors' report to the standalone financial statement by component auditors of HLL Infra Tech Services Limited (HITES)

Key Audit Matter Description

At the end of each reporting period, the company assesses indication of impairment in the carrying value of all the Assets (Financial & Non Financial) and for the FY 2022-23, no impairment in carrying value of Assets is found.

Auditor's Response

Principal Audit Procedures Performed

Component Auditor's audit procedures and procedures performed by component auditors included the following:

- Read the Group's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets".
- Performing test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence.
- Performing substantive audit procedures including:
  - Obtaining the managements impairment assessment
  - Evaluating the key assumptions including projected generation, coal prices, exchange rate, energy prices post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.
  - Obtaining and evaluating the sensitivity analysis
  - Assessing the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

12. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report including the annexures to Directors' Report; Secretarial audit Report, Management Discussion & Analysis Report and Corporate Governance Report included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

13. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

14. The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including Consolidated other comprehensive income, Consolidated cash flows and Consolidated change in equity of the Group and its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint venture 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

15. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included

in the Group and of its joint venture is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

16. The respective Board of Directors of companies included in the Group and of its joint venture are also responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

17. 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 the Consolidated Financial Statements.

18. 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 the financial statement 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. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture 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 for 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 audit carried out by them. We remain solely responsible for our audit opinion.

- 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 Group's and of its joint venture 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 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 joint venture 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 statements / financial information of such entities or business activities within the Group and its subsidiaries, associates and joint ventures 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 / financial information 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. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report

19. Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced.

20. We communicate with those charged with governance of the Holding Company 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.

21. We also provide those charged with governance of the Holding Company 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.

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

OTHER MATTERS

23. We did not audit the financial statements and other financial information, in respect of 2 subsidiaries whose financial statements include total assets of Rs. 4133.34 crore as at March 31, 2023, total revenues of Rs. 414.80 crore and net cash outflow of Rs. 30.49 crore for the year ended on that date and financial statements and other financial information of joint venture which reflects Group's share of net profits of Rs. 0.16 crore for the year ended March 31, 2023. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information, and auditor's report have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of such other auditors. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

24. This report is issued by revising our earlier report dated 06.09.2023 so as to cure the error in the report under section 143 (5) given in Annexure 2 and in certain cross references in the report issued by us, pointed out in the supplementary audit by the Comptroller and Audit General of India.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

25. Further, as required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture, as noted in the 'Other Matters' paragraph, we report, to the extent applicable that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

f. As per notification no.GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, provisions of sub-section (2) of section 164 regarding disqualification of directors are not applicable to the Holding Company and its subsidiaries.

g. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in Annexure 1, which is based on the auditors' reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those Companies.

h. As per notification no.GSR 463(E) issued by the Ministry of Corporate Affairs dated 5th June 2015, Sec 197 of the Act regarding remuneration to directors is not applicable to the Holding Company and its subsidiaries.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statement as also the other financial information of the subsidiaries and joint venture, as noted in the "Other Matter" paragraph :

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its financial position in its Consolidated Financial Statements.

   ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection

Fund by the Holding Company, its subsidiaries and joint venture incorporated in India during the year ended March 31, 2023.

iv. (a) The respective Managements of the Holding Company and its subsidiaries whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person 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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Holding Company and its subsidiaries whose financial statements have been audited under the Act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us on the Company and its subsidiaries whose financial statements have been audited under the Act nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v (a) The dividend declared or paid during the year by the Holding company and subsidiary HIITES is in compliance with Section 123 of the Act. GAPL, the other subsidiary and joint venture, has not declared or paid any dividend during the year.

(b) The Board of Directors of the Holding Company and one of the subsidiaries HIITES have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

26. As required by section 143(5) of the Act, we give in Annexure 2, the report on the Directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and consolidated financial statement of the group.

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

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAM5781

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 1 to The Independent Auditor's Report

(Referred to in paragraph 25 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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")

Qualified Opinion

We have audited the internal financial controls over financial reporting of HLL Lifecare Limited ("the Holding Company") its subsidiaries and joint venture, which are companies incorporated in India, as of 31st March,2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

2. We draw your attention to the following qualification to the audit opinion of the financial statements of HLL Lifecare Limited, the Holding Company issued vide our report of even date, reproduced as under;

i. According to the information and explanations given to us and based on our audit, the following material weaknesses in the operating effectiveness of controls have been identified as at March 31, 2023:
   a. Ineffective control over the process of bank reconciliation, which has impaired the efficiency in identification of un-reconciled entries and resolving the same;
   b. Deficiency in verification of journal entries before authorization thereof, which could result in erroneous data entry;
   c. Deficiencies in the communication of financial information like writing back of excess provision, unclaimed earnest money deposit or creditors, creation of provision etc. by various units with the central office finance department in a timely manner and ineffective dissemination of information on the procedures with regard to addressing the discrepancies found in physical verification of fixed assets, which could impact the timely compilation of financial statements; and
   d. Non-effectiveness of certain control measures like obtaining periodic balance confirmation from debtors and creditors.

ii. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

3. We draw attention to the following disclaimer of audit opinion of the financial statements of Goa Antibiotics and Pharmaceuticals Limited (GAPL), a subsidiary issued by an independent firm of Chartered Accountants vide its Report dated 23.08.2023 reproduced as under;

"Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for my / our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2023.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer has affected our opinion on the financial statements of the Company, and we have issued a qualified opinion on the financial statements."

4. In our opinion, except for the effects/possible effects of the material weaknesses described above in our report for achievement of the objectives of the control criteria and the disclaimer of opinion on internal financial control over financial reporting given by the auditor of the component auditor, the Holding Company its subsidiaries and joint venture, 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 31st March 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

5. The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

6. Our responsibility is to express an opinion on the Holding Company its subsidiaries and joint venture, internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified 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.

7. 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 Consolidated Financial Statements, whether due to fraud or error.

8. We believe that the audit evidence we have obtained and audit evidences obtained by the component auditors of the relevant subsidiaries and joint venture in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

9. A Company's internal financial control over financial reporting is a process designed to provide reasonable assur-

ance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

10. 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.

Other Matters

11. Our report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Financial Statements, in so far as it relates to separate financial statement of 2 subsidiaries and a joint venture is based solely on the corresponding reports of the auditors of such subsidiaries and joint venture. Our opinion is not modified in respect of this matter.

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAM5781

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 2 to the Independent Auditor's Report

(Referred to in paragraph 26 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the comments in the Auditors Report of the Holding Company its Subsidiaries and its Joint Venture companies, to the extend provisions of Section 143(5) of the Act applicable to these companies, we give below a report on the directions issued by the Comptroller and Auditor General of India

Sl No	Directions	Action Taken	Impact on Consolidated Financial Statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	**1. HLL Lifecare Limited** The company has an ERP (SAP) system and other software for different verticals. The data from other software are also integrated to SAP through interfaces or batch uploads, which are manually compiled and uploaded into SAP, with appropriate checks and controls. All the accounting transactions are processed through IT system. In our opinion and according to the information and explanation provided to us, we haven't noticed any processing of accounting transactions outside the IT system. However, we have identified certain audit risks associated with the IT system, which are described in the Key Audit Matters section of our report, along with our process to address the same. Accordingly, we have not come across any implications of those risks on the integrity of the accounts. **2. HLL Infra Tech Services Limited** All the transactions are processed through SAP Accounting software. As explained by the management and during our audit we did not find any accounting transactions outside the IT system. **3.Goa Antibiotics and Pharmaceuticals Limited** The company has an ERP (SAP) system and other software for different verticals. The data from other software are also integrated to SAP through interfaces or batch uploads, which are manually compiled and uploaded into SAP, with appropriate checks and controls. All the accounting transactions are processed through IT system. In our opinion and according to the information and explanation given to us, we haven't noticed any processing of accounting transactions outside the IT system.	NIL

2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	**1. HLL Lifecare Limited** According to the information and explanations given to us, there were no cases of restructuring of any existing loans or cases of waiver/write off of debts/loans/interests etc, made by a lender to the company's inability to repay the loan, during the year. **2. HLL Infra Tech Services Limited** There is no restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by the lender to the company due to the company's inability to repay the loan. **3.Goa Antibiotics and Pharmaceuticals Limited** According to the information and explanations given to us, there were no cases of restructuring of any existing loans or cases of waiver/write off of debts/loans/ interests etc, due to the company's inability to repay the loan, during the year.	NIL
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	**1. HLL Lifecare Limited** According to the information and explanations given to us, funds received by the Company for specific schemes from central/state agencies were properly accounted for/ utilized as per its terms and conditions except for the following two cases : The Company has refunded the unspent balance of Rs. 0.95 Crs to MoC&I during March 2023. Further an additional amount of Rs. 1.64 Crs out of the Grant is to be refunded to MoC&I and this has been included under liability in Note No: 24 other current Liabilities. **2. HLL Infra Tech Services Limited** The company has properly accounted for/utilised funds received/ receivable for specific schemes from central / state government or its agencies as per its terms and conditions. **3.Goa Antibiotics and Pharmaceuticals Limited** According to the information and explanations given to us, Interest Subsidy from Economic Development Corporation of Goa Limited (EDC Limited) is utilised as per the terms and conditions of the Loan. There were no other cases of funds being received / receivable by the Company against specific schemes from central / state agencies.	**1.HLL Lifecare Limited** Contingent liability for interest of Rs.1.29 Crores is estimated as on 31.03.2023 from the scheduled date of completion 31.03.2018 and is disclosed in notes. NIL NIL

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAM5781

Place: Thiruvananthapuram
Date : 13 November 2023

Annexure 3 to the Independent Auditor's Report

(Referred to in paragraph 27 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the Consolidated Financial Statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sl No	Name of companies & CIN	Holding Company/ Subsidiary/ JV	Clause number of the CARO report which is unfavourable or qualified or adverse
1	HLL Infra Tech Services Limited CIN: U45200KL2014GOI036617	Subsidiary	Clause xix
2	Goa Antibiotics and Pharmaceuticals Limited CIN : U24231GA1980SGC000412	Subsidiary	Clause ix, xiv,xvii and xix
3	Lifespring Hospitals Private Ltd. CIN : U85110KL2008PTC021819	JV	Nil

For Sridhar & Co
Chartered Accountants
Firm No: 003978S

CA. I Jayasindhu
Partner
M. No. 205660
UDIN : 23205660BGSTAM5781

Place: Thiruvananthapuram
Date : 13 November 2023

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HLL LIFECARE LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of HLL Lifecare Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) or 139 (7) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 13.11.2023 which supersedes their earlier Audit Report dated 06.09.2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of HLL Lifecare Limited for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We have conducted a supplementary audit of the financial statements of HLL Lifecare Limited but did not conducted supplementary audit of HLL Infra Tech Services Limited, Goa Antibiotics & Pharmaceuticals Limited (Non-review certificate issued), and the financial statements of Lifespring Hospitals Private Limited (being a Joint Venture Company) for the year ended 31st March 2023. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Date: 06.12.2023

(Rajiv Kumar Panday)
Director General of Audit
(Central Expenditure)

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2023

	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
			(₹ crs)	(₹ crs)	(₹ crs)
A	**ASSETS**				
	Non-current assets				
	Property, Plant & Equipment	3	221.47	227.48	252.60
	Capital work-in-progress	3	1.22	12.57	10.35
	Goodwill (on consolidation)		6.02	6.02	6.02
	Intangible Assets	3	2.40	2.32	3.05
	Right of Use Assets(ROU)	3	19.66	27.71	35.63
	Investment Property	3	1.36	2.36	3.12
			252.13	**278.46**	**310.77**
	Financial Assets				
	i) Investments Accounted under Equity Method	4	3.09	2.94	1.57
	ii) Other Investments	4	0.02	0.02	0.02
	iii) Others	5	1.90	1.77	1.67
	Deffered tax asset (Net)	6	71.41	69.09	20.47
	Other Non Current Assets	7	-	-	-
	Non-Current Tax Asset (Net)	8	41.54	30.39	15.67
	Non-Current Asset		**370.09**	**382.67**	**350.17**
	Current assets				
	Inventories	9	297.71	200.76	338.50
	Financial Assets				
	i) Trade Receivables	10	1,117.52	2,925.00	2,178.20
	ii) Cash and cash equivalents	11.a&b	246.32	1,069.03	889.38
	iii) Bank balances other than (ii) above	11.c	500.62	285.87	6.61
	iv) Loans	12	3.37	5.64	28.22
	v) Others	13	30.50	21.71	13.09
	Other current assets	14	188.60	947.87	265.05
			2,384.64	**5,455.88**	**3,719.05**

	Assets classified as held for sale	2.41	**-**	**-**	**0.39**
	Cash and Bank Balances of Projects Held under Trust as per contra	2.9	**4,541.91**	**4,847.49**	**4,388.00**
	TOTAL ASSETS		**7,296.64**	**10,686.04**	**8,457.61**
B	**EQUITY AND LIABILITIES**				
	Equity				
	i) Equity Share Capital	15	15.54	15.54	15.54
	ii) Other Equity	16	661.65	742.15	361.34
	Equity attributable to owners of the entity		**677.19**	**757.69**	**376.88**
	Non - Controlling interests		**(5.90)**	**(4.53)**	**(1.40)**
	Total Equity		**671.29**	**753.16**	**375.48**
	Liabilities				
	Non-current liabilities				
	Financial Liabilities				
	i. Borrowings	17	1.20	1.32	24.43
	i. a) Lease Liability (ROU)	2.28	11.81	20.36	25.07
	Provisions	18	2.51	28.68	7.57
	Other non current liabilities	19	19.94	24.21	9.91
			35.46	**74.57**	**66.98**
	Current liabilities				
	Financial Liabilities				
	i) Borrowings	20	399.17	177.33	316.70
	i. a) Lease Liability (ROU)	2.28	8.52	8.06	10.63
	ii) Trade payables	21			
	Outstanding to Micro and Small enterprises	21.a	87.64	31.06	11.51
	Outstanding to creditors otherthan Micro and Small enterprises	21.b	1,012.87	1,214.31	1,969.05
	iii) Other financial liabilities	22	172.52	450.78	306.03
	Provisions	23	116.80	110.75	66.06
	Other current liabilities	24	250.46	3,018.53	947.17
			2,047.98	**5,010.82**	**3,627.15**
	Advances Received for Projects Held under Trust as per contra	2.9	**4,541.91**	**4,847.49**	**4,388.00**

	TOTAL EQUITY AND LIABILITIES		**7,296.64**	**10,686.04**	**8,457.61**
	Corporate Information and Significant Accounting Policies	1			
	Additional Disclosures/Explanatory Notes to Financial Statements	2			

For and on behalf of the Board of Directors

Vide our report of even date attached

Vide our report of even date attached

For Sridhar & Co

Chartered Accountants

Firm No: 003978S

K.Beji George,IRTS
Chairman &
Managing Director
[DIN: 08419099]

Dr.Geeta Sharma
Director (F)
[DIN: 08225251]

Remesh.P
VP(F) & CFO
[ACMA:19552]

Jaikrishnan A.R
Company Secretary
[ACS:14328]

CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st MARCH 2023

Particulars	Note No	Year ended 31.03.2023	Year ended 31.03.2022
		₹ crs	₹ crs
Continuing Operations			
Income			
Revenue from operations	25	4,115.60	36,083.61
Other income	26	70.84	16.38
Total Income		**4,186.44**	**36,099.99**
Expenses			
Cost of materials consumed	27	293.55	260.12
Purchases of stock-in-trade	28	2,361.21	32,798.39
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(105.16)	129.47
Employee benefits expense	30	296.39	304.86
Finance costs	31	20.09	25.96
Depreciation and amortisation expense	3	41.18	45.54
Other expenses	32	773.70	1,680.58
Contract Expenses	2.32	418.71	298.08
Total expenses		**4,099.67**	**35,543.00**
Profit/loss before share of profit/loss of an associate /a joint venture		**86.77**	**556.99**
Share of profit/loss of an associate/a joint venture		**0.16**	**1.37**
Profit / (Loss) before tax		**86.93**	**558.36**
Tax expense:			
Current tax expense		35.55	197.44
Prior year tax adjustments		1.57	0.99
Deferred tax	6	(0.34)	(42.82)
		36.78	**155.61**
Profit / (Loss) for the year from the continuing operations		**50.15**	**402.75**
Loss from discontinued operations		-	-
Loss for the year from discontinued operations			
Profit / (Loss) for the year		**50.15**	**402.75**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		(12.59)	(6.00)

- Remeasurement of Defined Benefit Plans			
(ii) Income tax relating to Items that will not be reclassified to profit or loss		3.04	1.65
Total Other Comprehensive Income		(9.55)	(4.35)
Total Comprehensive Income for the year		**40.60**	**398.40**
Profit / (Loss) for the year attributable to			
Owners of the company		**51.38**	**406.02**
Non - Controlling Interests		**(1.23)**	**(3.27)**
Other Comprehensive Income for the year attributable to			
Owners of the company		**(9.42)**	**(4.49)**
Non - Controlling Interests		**(0.13)**	**0.14**
Total Comprehensive Income for the year attributable to			
Owners of the company			
Continuing Operations		**41.97**	**401.53**
Discontinued Operations			
Non - Controlling Interests		**(1.37)**	**(3.13)**
Earnings per equity share (₹) (Face value of ₹ 10/- share) (for continuing operations)			
- Basic	1.23	**33.08**	**261.36**
- Diluted		**33.08**	**261.36**
Corporate Information and Significant Accounting Policies	1		
Additional Disclosures/Explanatory Notes to Financial Statements	2		

For and on behalf of the Board of Directors
Vide our report of even date attached

Vide our report of even date attached
For Sridhar & Co
Chartered Accountants
Firm No: 003978S

K.Beji George,IRTS
Chairman &
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Company Secretary
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CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

Consolidated Statement of Changes in Equity for the year ended 31st March 2023

A. Equity Share Capital

					₹ crs
Current Reporting Period	Balance at the beginning of April 1, 2022	Changes in equity share capital due to Prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of 31st March 2023
	15.54		-		15.54

					₹ crs
Previous reporting period	Balance at the beginning of April 1, 2021	Changes in equity share capital due to Prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of March 31, 2022
	15.54		-		15.54

For and on behalf of the Board of Directors

Vide our report of even date attached

Vide our report of even date attached

For Sridhar & Co

Chartered Accountants

Firm No: 003978S

K.Beji George,IRTS
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UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

B. Other Equity

1.Current Reporting Period ₹ crs

Particulars	Shares pending allotment	Reserves and Surplus				Other Comprehensive Income	Total
		Corporate Social Responsibility Reserve	Dividend Equalisation Reserve	General Reserve	Retained Earnings		
Balance as on April 01, 2022	-	-	1.30	256.53	532.31	(20.55)	769.59
Changes in accounting policy or prior period errors	-	-	-	-	(27.43)	-	(27.43)
Restatements done till 2020-21					(17.65)		
Income from Services (Refer Note a.)					49.96		
HCS Direct Expenses (Refer Note b.					(46.81)		
Interest on Deposits (Refer Note c.)					(2.88)		
Saheli Product Subsidy (Refer Note d.)					(6.26)		
Other Misc Expense (Refer Note e.)					2.66		
Rates and Taxes (Refer Note f.)					(0.50)		
Right of Use Assets (Refer Note g.)					(0.01)		
Correction in PY NCI					(1.58)		

Particulars	Shares pending allotment	Corporate Social Responsibility Reserve	Dividend Equalisation Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	₹ crs Total
GAPL Deffered tax asset net for the year 2021-2022 (note h.)					(5.90)		
GAPL Depreciation for ROU Asset 2021-2022 (note i.)					(0.13)		
GAPL Rent 2021-2022 transfered to ROU Liability (note i.)					0.14		
GAPL Interest on ROU liability 2021-22 (note i.)					(0.02)		
GAPL 21-22 NCI restatement due to change in P&L					1.57		
Restated balance at the beginning of the current reporting period	**-**	**-**	**1.30**	**256.53**	**504.88**	**(20.55)**	**742.15**
Total comprehensive income for the year				-	51.38	(9.42)	**41.97**
Dividend					(122.47)		**(122.47)**
Transfer to retained earnings							**-**
Balance at the end of March 31, 2023			**1.30**	**256.53**	**433.79**	**(29.97)**	**661.65**
2.Previous Reporting Period							

Particulars		Reserves and Surplus				Other Comprehensive Income	₹ crs Total
	Shares pending allotment	Corporate Social Responsibility Reserve	Dividend Equalisation Reserve	General Reserve	Retained Earnings		
Balance as on April 01, 2021	-	**-**	**1.30**	**256.41**	**137.34**	**(16.06)**	**378.99**
Changes in accounting policy or prior period errors	-	-	-	-	(19.24)	-	**(19.24)**
Income from Services (Refer Note a.)					138.97		
HCS Direct Expenses (Refer Note b.)					(130.23)		
Interest on Deposits (Refer Note c.)					(26.36)		
Right of Use Assets (Refer Note g.)					(0.04)		
Correction in PY NCI					(1.59)		
Restated balance at the beginning of the current reporting period	**-**	**-**	**1.30**	**256.41**	**118.10**	**(16.06)**	**359.76**
Total comprehensive income for the year				0.12	406.06	(4.49)	**401.69**
Dividend					(19.29)		**(19.29)**
Transfer to retained earnings							**-**
Balance at the end of March 31, 2022	**-**	**-**	**1.30**	**256.53**	**504.88**	**(20.55)**	**742.15**

Notes:-

a. Income was received during the fiscal year 2022-23 from NHM Maharashtra (Customer). Initially, the organization chose not to recognize this income on an accrual basis due to uncertainties surrounding its receipt. However, following an audit, the income was distributed across the relevant accrual years in accordance with the observation made.

b. The associated expenses related to the income generated from NHM Maharashtra's testing services which were not accounted for during the relevant years. In the current fiscal year, as, the income has been appropriately distributed across the corresponding accrual years the corresponding portion of the strategic partner's share of the income has been recognized as expenses for those respective accrual years.

c. The interest earned from MCS deposits had been accounted for as income in the preceding financial periods. However, as per the audit observation due to absence of explicit provisions within the agreement regarding interest treatment, it is not feasible to continue recognizing this interest as income. As a result, the interest income previously recorded in prior years has been duly reversed with retrospective effect.

d. Due to the inability to recover the Saheli product subsidy, it has been necessary to retroactively reverse the corresponding amounts from the year of initial booking (FY 2021-22).

e. The provisions that were initially established for interest and legal charges have been retrospectively reversed. This decision was made due to the inclusion of these obligations in the category of contingent liabilities, as the likelihood of future obligations arising is minimal.

f. The WCT receivable has been rectified by offsetting it against the demand in the fiscal year 2021-22, an omission in the initial accounting. This adjustment has been implemented retrospectively by reversing the WCT receivable.

g. The revision of rent for leased properties at the Kakkanad Factory in Cochin, Kerala has led to modifications in both the ROU lease liability and the ROU lease assets. These changes arise from recalculations based on the discounted estimates of future rent payments

h. GAPL had not recognised deferred tax liability during FY 21-22, now recognised and accordingly balance restated.

i. GAPL had not recognised ROU asset and liability in respect of their Ajmer and Jaipur leased plants which is recognised during FY 22-23 w.e.f 01.04.2021 and accordingly Balancesheet and Profit and loss account restated.

Consolidated Cash Flow Statement for the Period ended 31.03.2023

Particulars	Period ended 31.03.2023	Year ended 31.03.2022
	₹ crs	₹ crs
A. Cash flow from Operating Activities		
Profit before tax	**86.77**	**556.99**
Adjustments for:		
Depreciation and amortisation	41.18	45.40
Loss on sale of Property, plant and equipment	0.07	0.06
Profit on sale of Property, plant & equipment	(0.11)	(0.07)
Finance costs	20.09	25.94
Interest income	(27.65)	(6.45)
Operating profit / (loss) before working capital changes	**120.35**	**621.87**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(96.95)	137.74
Trade receivables	1,807.48	(737.15)
Short-term loans and advances	2.27	13.93
Other assets	669.00	(763.36)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(144.87)	(735.18)
Other current liabilities	(3,046.32)	2,248.89
Long-term provisions	(30.44)	-
Short-term provisions	(6.54)	47.35
Assets held for sale	-	0.39
Cash generated from operations	**(726.03)**	**834.49**
Net income tax (paid) / refunds	25.91	(153.31)
Net cash flow from / (used in) operating activities (A)	**(700.12)**	**681.18**
B. Cash flow from Investing Activities		
Capital Work in Progress	11.34	(2.21)
Purchase of PPE and intangible assets	(26.03)	(18.79)
Interest received	27.65	6.45
Investments in bank deposits (having orginal maturity of more than three months)	(214.74)	(279.27)
Net cash flow from / (used in) investing activities (B)	**(201.78)**	**(293.82)**
C. Cash flow from Financing Activities		
Proceeds from non current borrowings	(0.28)	(42.82)

Proceeds from other non current liabilities	-	-
Payment to Minority interest	-	-
Interest paid	(20.09)	(25.94)
Dividend	(122.47)	(19.29)
Net cash flow from / (used in) financing activities (C)	**(142.84)**	**(88.04)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,044.73)	299.33
Cash and cash equivalents at the beginning of the year	892.15	592.82
Cash and cash equivalents at the end of the year	**(152.58)**	**892.15**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents	(150.94)	896.55
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind AS 7 Statement of Cash Flows	1.64	4.40
Net Cash and cash equivalents (as defined in Ind AS 7 Statement of Cash Flows) included in Note 1.10	**(152.58)**	**892.15**
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	3.01	2.11
(b) Balances with banks		
(i) In deposit accounts	198.68	986.73
(ii) In current accounts	32.03	20.32
(iii) In EEFC accounts	6.48	2.05
(iv) In cash credit accounts	(255.08)	(98.53)
(v) In OD accounts	(143.81)	(78.35)
(vi) Funds earmarked for CSR/Projects	6.12	57.82
	(152.58)	**892.15**

1) The above Cash Flow Statement has been prepared under the Indirect method set out in the Ind AS-7.

2) The previous year's figures have been re-grouped whereever necessary in order to confirm to this year's presentation.

3) Cash Equivalents at the beginning and end of the year includes Bank Overdraft and Cash Credit repayable on demand

4) Transactions of project funds held under Trust and balance of Rs. 4541.91 crores (previous year Rs.4847.49 crores) are not included in the Cashflow

5) Changes in Liabilities arising from Financing Activities					₹ in Cr
Particulars	**As at 1st April 2022**	**Cashflows**	**Non - Cash Changes**		**As at 31st March 2023**
			Fair Value Adjustment	**Others on account of Acqusition**	
Non current Borrowings (including current maturity of Non - Current Borrowings)	1.32	(0.12)	-	-	1.20
Current Borrowings	177.33	221.85	-	-	399.17
	178.64	221.73	-	-	400.37

For and on behalf of the Board of Directors
Vide our report of even date attached

Vide our report of even date attached
For Sridhar & Co
Chartered Accountants
Firm No: 003978S

K.Beji George,IRTS	**Dr.Geeta Sharma**	**Remesh.P**	**Jaikrishnan A.R**	**CA Jayasindhu I**
Chairman & Managing Director	Director (F)	VP(F) & CFO	Company Secretary	Partner
[DIN: 08419099]	[DIN: 08225251]	[ACMA:19552]	[ACS:14328]	Membership No: 205660
				UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023

Note 1: Corporate Information and Significant Accounting Policies of Consolidated Financial Statements

Corporate information

HLL Lifecare Limited, ("Parent Company") incorporated in the year 1966, is a MiniRatna Enterprise, fully owned by Government of India, domiciled in India and governed by the provisions of the Companies Act, 2013. HLL Lifecare Ltd was converted into a Public Limited Company with effect from 21st February 2012.The Company's registered office is situated at HLL Bhavan, Poojapura, Thiruvananthapuram, Kerala, India. The Parent company is engaged in the manufacturing and marketing of a range of Contraceptive products, Hospital products, Women Health Pharma products, providing Consultancy & Contract services for healthcare infrastructure, Retail chain of pharmacies and Diagnostic services. The company caters to both domestic and international markets. The parent company has three subsidiaries and one joint venture. The subsidiaryGAPL is into health care and HITES is engaged in providing the services in the area of construction, infrastructure development, engineering services, procurement management, supply chain management, facility management services and the subsidiary HMCCHL is defunct. The Parent Company together with its subsidiaries is hereinafter referred to as the "Group".

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of directors on 22nd August 2023 and re-approved on technical grounds with a resolution dated 28th August 2023.

Recent accounting pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective from 1st April, 2023:

a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.

b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in accounting estimate' has been replaced by revised definition of 'accounting estimate'.

c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its consolidated financial statements.

1 A Significant accounting policies

1.1 Basis of Preparation/Consolidation

These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; (ii) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell; (iii) derivative financial instrument and (iv) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Crores except where otherwise indicated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

1.1A Principles of Consolidation

HLL consolidates entities which it owns or controls.The Consolidated Financial Statements comprise thefinancial statements of the Company,its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity,when it is exposed,or has rights,to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.Power is demonstrated through existing rights that give the ability to direct relevant activities,those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

a. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 (Ind AS 110) “Consolidated Financial Statements”, Indian Accounting Standard 28 (Ind AS 28) “Investments in Associates and Joint Ventures” prescribed under Section 133 of the Companies Act, 2013.

b. The Consolidated Financial Statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits have been fully eliminated.

c. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill on Consolidation.

The Goodwill on consolidation is tested for impairment every year and any loss assessed is provided for.

d. Non-controlling interests in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Parent Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment.

e. The parent company’s investment in the joint venture is accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the joint venture since the acquisition date.

1.2 Classification of Assets and Liabilities as Current and Non-Current

The Group presents assets and liabilities in the Balance Sheet based on Current/Non- Current classification.

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current or non-current classification of assets and Liabilities.

Classification of Assets and Liabilities into Current/Non-Current:

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

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

(iv) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

1.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss if any.

Cost directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use as intended by the management. Cost includes all incidental expenditure net of tax credits wherever applicable.

The cost includes interest on borrowings (calculated at the weighted average rates) and administrative expenses specifically attributable to the acquisition of such assets.

Revenue expenses incurred for identification of new projects/ new line of businesses are treated as capital work in progress. This will be absorbed into the project cost in the first year of commencing the business. If the new project/ new line of business does not materialize within a period of three financial years, the entire expenses shall be charged to Revenue in the 3rd year. Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Expenditure during construction period is included under Capital Work-in-Progress and the same is allocated to the respective items of Property, Plant and Equipment on the completion of construction. In respect of pharmaceutical manufacturing facility, expenditure incurred are included under Capital Work in Progress till the validation process is completed.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss.

Spare parts, stand by equipment and servicing equipment having individual value of ₹5 lakh or more and are expected to be used for a period more than 12 months are capitalized on their acquisition.

Depreciation on Property, Plant and Equipment other than Freehold land and properties under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Further depreciation has been charged on Straight line method for all assets under Plant & Machinery and written down value method for other assets (except intangible asset and leasehold assets) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act, except for those assets whose useful lives are determined based on any technical advice.

The estimated useful life as per Companies Act 2013 are as follows:

Category of Asset	**Estimated Useful life**
Leasehold land	Period of lease
Factory Buildings	30 years
Buildings other than Factory Buildings	60 years
Plant & Machinery	15 years or Terms of agreement of business whichever is earlier
ECG, X-Ray, CT scan, MRI machines etc	13 years
Furnitures and Fixtures	10 years or Terms of agreement of business whichever is earlier
Motor Vehicles	8 years
Office equipments	5 years
Computers & Laptops	3 years
Laboratory equipments	10 years or Terms of agreement of business whichever is earlier
Electrical Installations	10 years

The depreciation methods, useful lives and residual values are reviewed periodically including at each financial year end.

Components of main assets were identified and determined separately, if they have a useful life that is materially different from that of the principal asset. 10% of the original cost of the principal asset has been considered as threshold limit to determine whether a component is material or not.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Additions to Property Plant and Equipment, costing ₹5000/- each or less are fully depreciated during the year of purchase, irrespective of the date of addition retaining the residual value of assets.

Machinery spares acquired with the equipment are depreciated using the same rates and method applicable for the original machinery. In the case of Machinery spares procured separately for future use, rate equivalent to accumulated depreciation for the expired life of the relative machinery are charged in the year of acquisition along with depreciation for the year.

De-recognition:

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

1.4 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied, or part occupied by the Group for its operations, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When a property given on rent is vacated and the management's intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings under Property, Plant and Equipment.

Depreciation on Investment Properties other than Freehold land and properties under construction have been made in line with the requirement under Schedule II of the Companies Act, 2013. Investment properties are depreciated using the written down value method over their estimated useful lives which is consistent with the useful lives followed for depreciating Buildings under Property, Plant and Equipment.

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit or loss.

1.5 Intangible Asset

Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred.

Development activities involve a plan or design forthe production of new or substantially improved products and processes.

An internally generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Group intends to and has sufficient resources/ability to complete development and to use or sell the asset.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Intangible assets with finite useful lives are capitalized and carried at cost less accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets with finite lives is recognized in the statement of consolidated profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not Amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortization is recognized on a straight-line basis over their estimated useful lives.

The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 years on pro-rata basis. License fee paid is amortized equally over the agreement period.

Trademark/Patents are amortized over a period of 5 years.

Trademark Expenses

Expenses incurred on trademark registrations will be treated as Capital work in progress and will be capitalized under 'intangible assets' when licenses are received. Subsequent expenditure incurred on those licenses will be recognized as revenue expenses in the period in which such expenses are incurred.

The residual values, estimated useful life and method of depreciation/amortization of Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets:

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

1.6 Leases

Group as a lessee:

The Group's lease assets primarily consist of land, buildings, plant and machinery. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract is or contains a lease, the Group assesses whether:

(i) The contract involves the right to control the use of an identified asset

(ii) The Group has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and

(iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and Right of Use asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

1.7 Impairment of Non-financial assets

The Group's non-financial assets are assessed at each reporting date to determine whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated, and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of consolidated profit and loss.

Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of goodwill (if any) allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

In the case of projects under development, the future cash flows are estimated based on the most recent budgets or forecasts relating to the project, adjusted to the current market conditions.

1.8 Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods and are measured at the lower of cost and net realisable value.

Cost of raw materials, stores, spares, consumable tools and traded goods comprises cost of purchases and includes taxes and duties and is net of eligible tax credits. Cost of work-in-progress, and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overheads, which is allocated on a systematic basis. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition.

The weighted average formula is used for the valuation of raw materials, stores and spares. Work-in-progress, materials in transit/under inspection is carried at actual process cost. Unused Loose Tools are revalued every year taking into account the useful life of the tools and carried at the revalued cost. Finished goods manufactured/goods purchased for trading are valued at lower of cost/net realizable value, including taxes and duties net of eligible tax credits. Manufactured / traded finished goods in stock other than pharmaceutical products whose shelf life expires within three months from the reporting date are taken at NIL value.

The provision for loss if any in respect of slow-moving items of materials/finished products are accounted after obtaining the technical opinion regarding the usability/marketability. The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realizable value represents the estimated selling price in the ordinary course of business for inventories less all estimated costs of completion and costs necessary to make the sale.

1.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (usually having a maturity period of 3 months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of cash flow statement as per Ind AS 7, Cash Equivalents also include Bank Overdraft and Cash credit which are repayable on demand.

1.10 Financial Instruments

<u>Recognition and initial measurement</u>

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of consolidated profit and loss.

<u>Classification and subsequent measurement</u>

Financial assets

i) On initial recognition, a financial asset is classified as measured at

- Amortised cost
- Fair value through other comprehensive income
- Fair value through profit and loss

ii) A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit or Loss (FVTPL)

- The asset is held within a business model whose objective is to hold assets to collect contractual flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) All financial assets not classified as measured at amortised cost or as measured at FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

v) Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at FVOCI – These assets are subsequently measured at fair value, with fair value changes recognised in other comprehensive income. Income, including any interest or dividend, are recognised in statement of consolidated profit and loss.

Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit and loss.

vi) Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing its financial assets.

<u>Financial liabilities</u>

i. Financial liabilities are classified as measured at amortised cost or FVTPL

ii. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

iii. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on de-recognition is also recognised in profit and loss.

De-recognition

Financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is the cumulative gain or loss that has to be recognised in the statement of consolidated profit and loss.

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the statement of consolidated profit and loss.

The Group also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value resulting general approximation of value, and such value may never actually be realized.

Offsetting:

Financial assets and financial liabilities are offset, and net amount presented in the balance sheet when, and only when there is a legally enforceable right to set off the amounts and it intend either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

Impairment of financial assets

The Group recognises loss allowance for expected credit loss ('ECL') on financial asset which are not measured at FVTPL. At each reporting date, the Group assess whether such financial assets carried at amortised cost / FVOCI are credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 month expected credit losses for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the ECL which results from default events that are possible within 12 months after the reporting date.

Measurement of expected credit losses:

The Group has adopted a model, as permitted under Ind AS 109 "Financial Instruments", for measuring lifetime expected credit loss "ECL" allowance for trade receivables. The model determines the expected credit losses as the probability-weighted estimate of credit losses.

The impairment losses and reversals are recognised in statement of consolidated profit and loss.

Loss allowance for financial assets measured at amortised cost / at FVOCI are deducted from gross carrying amount of the assets. The gross carrying amount of a financial assets is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

1.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on audited financial statements.

1.12 Revenue recognition

Sale of goods:

The Group generates revenue from a range of its products viz., Contraceptives, Hospital products, Women Healthcare Pharma and Personal hygiene products.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Rendering of services:

The Group generates revenue from Healthcare Services, Laboratory and Diagnostic Services, Retail Pharmacy Services, Infrastructure Development services, Project Management Consultancy and allied services, Facility Management Services, and Procurement Consultancy Services.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. In respect of revenue from services the Group follows recognition over a period of time.

Other Operating Revenues:

Other operating revenues comprise of income from ancillary activities incidental to the operations of the Group and is recognized when the right to receive the income is established as per the terms of the contract.

Duty drawback/export incentive in respect of export sales are accounted in the year of export.

1.13 Other Income

Interest income if any for delayed realization from Trade debtors as stipulated in invoices is not recognized, unless realized. Income other than the above are accounted on accrual basis.

1.14 Foreign currency transactions and translations

The Group's financial statements are presented in Indian Rupee (₹), which is also its functional currency.

Transactions in foreign currencies are translated into the functional currency of the Group, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of qualifying cash flow hedges to the extent that the hedges are effective, which are recognized in OCI.

1.15 Government grants

Government grants are recognized only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants in the nature of revenue items are recognized in the statement of profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Revenue grants/subsidy (other than product subsidy) relating to sales are disclosed separately under other operating revenues, whereas product subsidy is disclosed under sales and services.

In respect of grants against depreciable asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant, which are recognized as income in the statement of profit or loss over the period and the proportion in which depreciation is charged. Government grants related to assets are presented in the Balance sheet as Deferred Grant.

When the Group received grant of non-monetary assets, the asset and the grant are recorded at fair value and recognised in the consolidated profit and loss account over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

A Government grant that becomes repayable is accounted for as a change in accounting estimate (Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors). Repayment of a grant related to income is first applied against any unamortised deferred credit recognised in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or when no deferred credit exists, the repayment is recognised immediately in profit or loss.

Repayment of a grant related to an asset shall be recognised by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised in profit or loss to date in the absence of the grant shall be recognised immediately in profit or loss.

1.16 Employee benefits

Defined Benefit Plans

Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible permanent and temporary employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Consolidated Profit and Loss.

Compensated Absences

The Group has a policy on compensated absences only to permanent employees which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Code on Social Security,2020 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group 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.

Defined Contribution Plans

Provident Fund

Eligible employees of the Group receive benefits from a provident fund, a post –employment benefit under which both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary to PF authorities and the Group will have no legal or constructive obligation to pay further amounts.

ESI and Other Contribution Plans

Payments to other defined contribution plans i.e., superannuation fund, Employee State Insurance and other funds are determined based on the schemes under the relevant statutes and charged to the Statement of Consolidated Profit and Loss in the period of incurrence when the services are rendered by the employees. The amounts are paid to respective government authorities and the Group has no further legal or constructive obligation.

Defined contribution plan also includes the Contributory pension scheme effective from 1-4-2011 for the permanent employees who are on the rolls of the Group as on 9-10-2012. Group contributes 3% of basic plus DA with a matching contribution from employees as per the pension scheme. The pension scheme is managed by LIC of India. The Group has no further legal or constructive obligation beyond the contribution.

Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Consolidated Profit and Loss in the periods during which the related services are rendered by the employees.

Short-term and other long-term employee benefits:

A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Termination Benefits:

Payments made under Voluntary Retirement Scheme are charged to Statement of Consolidated Profit and Loss on incurrence.

1.17 Borrowing costs

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

Interest on loan taken specifically for acquiring assets/group of assets, are proportionately allocated to respective assets based on asset value.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

1.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Group is responsible for allocating resources and assessing performance of the operating segments.

1.19 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax position:

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

1.20 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the Statement of Consolidated Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent assets are not generally recognized in the financial statements, since this may result in the recognition of income that may never be realised. Contingent assets, whose realization of income is probable, are disclosed separately. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

1.21 Prepaid Expenses

Prepaid expenses of items of ₹10000/- each and below are charged off to the revenue.

1.22 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal Noncurrent assets held for sale are not depreciated or amortised.

1.23 Earnings per Share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Basic and Diluted Earnings per share		
	31.03.2023	**31.03.2022**
Numerator Net Profit ₹. In Crores		
Profit after Tax as per Statement of Profit & Loss	51.38	406.02
Denominator - Average No. of Equity Shares outstanding during the period	15535000	15535000
No. of Shares - Basic & Diluted	15535000	15535000
Earnings per share (₹)		
Basic (Face Value of ₹ 10/- per share)	33.08	261.36
Diluted (Face Value of ₹ 10/- per share)	33.08	261.36

1B Critical accounting estimation and judgements

The preparation of the financial statements in conformity with Ind AS, requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.

The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to changes in these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known / materialized.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans / Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history and other factors at the end of each reporting period.

Revenue

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Income Tax

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Explanatory Notes/Additional Disclosure forming part of Consolidated Financial Statements for the year 2022-23

2.1 Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006 to the extent information available with the group is as under:

(₹ in Crores)

Sl No.		**31.03.2023**	**31.03.2022**
(a)	The principal amount remaining unpaid at the end of the year.	87.64	31.06
(b)	The delayed payments of principal amount paid beyond the appointed date during the year.	Nil	Nil
(c)	Interest actually paid under Section 16 of the MSMED Act. *	Nil	Nil
(d)	Normal interest due and payable during the year, for all the delayed payments, as per the agreed terms.	Nil	Nil
(e)	Total interest accrued during the year and remaining unpaid.	Nil	Nil

*The group is following the practise of estimating and providing interest, if any, payable under section 16 of MSMED Act only in case claimed/adjudicated by authorities.

2.2 The extent of ownership in Subsidiary/Jointly Venture Companies are as follows:

Name of the Subsidiary/Jointly Controlled Entity	Country of Incorporation	Relationship	Ownership Interest as on 31.03.2023
Goa Antibiotics and Pharmaceuticals Limited (GAPL)	India	Subsidiary	74%
HLL Infra Tech Services Limited (HITES)	India	Subsidiary	100%
Life Spring Hospitals Pvt. Ltd	India	Joint Venture	50%
HLL Mother & Child Care Hospitals Limited	India	Subsidiary	100%

2.3 The Parent Company had received from M/s. Female Health Company (UK) equipment valuing ₹0.89 Crores on loan basis for the manufacture of female condom FC2 Nitrile version at its unit located in Cochin Export Processing Zone. No accounting entries have been passed as the property & title of the equipment supplied vests with M/s. Female Health Company, U.K.

2.4 Property, Plant and Equipment includes Unipill Plant, a WHOGMP (Geneva) compliant facility, set up by the parent company at Kanagala Belagavi. The Unipill products are registered with six foreign countries where registration is mandatory, and the parent company is in the process of registering the product in more countries. The revenue generated during the year is Rs 1.32 Crores. The carrying value of the asset is lower than the recoverable value and hence no impairment is recognized on the Unipill Plant.

2.5 Borrowing costs capitalised during the year is Nil. (Previous Year is ₹Nil)

2.6 As per Schedule VII of the Companies Act, 2013, every company with net worth of ₹ 500 Cr or more, or with a turnover of ₹1000 Cr or more or having a net profit of ₹5 Cr or more is required to spend at least 2% of the average net profits (Profit before tax) of three immediately preceding financial years towards CSR (Corporate Social Responsibility).

The following are the details for group in the financial year 2022-23.

a. Gross amount to be spent by the Group during the year 2022-23 ₹ 5.80 Crores.

b. CSR budget approved by the board to be spent during the year- ₹ 6.21 Crores.

c. Actual amount spent during the year on:

	Particulars	**In cash (₹ Crores)**
(i)	Construction/acquisition of any asset	-
(ii)	On purposes other than (i) above	5.36
	Total	**5.36**

d. Details of ongoing projects in line with amendments to 135(5) and 135(6):

Particulars	**Amount (in Crores)**
Opening balance as on 01.04.2022	Nil
Amount earmarked as ongoing projects	0.17
Separate unspent	0.50
Closing balance as on 31.03.2023	0.67
With Group (to be remitted to one of the funds specified in Schedule VII of the Companies Act 2013 within 6 months of the end of the Financial Year)	0.50
In separate CSR unspent amount	0.17

e. Shortfall at the end of the year: 0.50 Crores

f. Nature of CSR Activities & Reason for Shortfall against budget: Rs in Crs

Sch No	**Schedule VII**	**Expense**	**Actually Spend**	**Shortfall/ Ongoing**	**Reason**
(i)	Eradicating hunger, poverty and malnutrition and making available safe drinking water	4.43	4.43	0.00	
(ii)	Promoting education and livelihood enhancement projects.	1.15	0.66	0.50	To be remitted to the designated fund within 6 months from the end of the FY as per schedule VII Companies Act 2013

(iii)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens	0.40	0.23	0.17	Rs 0.17Cr Carried forward as Ongoing project
(iv)	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources	0.01	0.01	0.00	
(vii)	training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	0.00	0.00	0.00	
(x)	Rural development projects	0.02	0.02	0.00	
(xii)	Disaster management	0.02	0.02	0.00	
	Total	**6.03**	**5.36**	**0.67**	

2.7 Insurance premium includes instalment of medical insurance premium paid for post-retirement medical benefits.

2.8 During the year there was no payment towards voluntary retirement scheme.

2.9 The Parent Company and its subsidiary HITES has been undertaking the Procurement Projects & Infrastructure Development Projects under agreements with Government and its agencies, for which separate books are maintained under trust. The assets and liabilities of these projects are with the Government and its agencies allotting the projects and the inspection and audit are their responsibility. In accordance with the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India, the summary of these Assets & Liabilities are disclosed only for the information purpose and the cash and bank balances of these projects are held by the Parent Company under trust and the corresponding liabilities are disclosed as contra items in the Balance sheet.

2.10 Govt. of India has accorded "captive status" to HLL vide Order dated 26.08.2005 for the supply of condoms and other Contraceptive products to the Ministry of Health & Family Welfare (MoHFW) and same is subjected to review for extension from time to time. The latest extension granted on captive status of HLL is valid up to 31.03.2024.

The Parent Company supplies Contraceptive products (Condoms, Oral Contraceptive Pills, EC Pills, Copper-T and Tubal Rings), Pregnancy Test Kits and Sanitary Napkins to the Ministry. As per the Cabinet order and its subsequent amendments, the Ministry shall place the supply orders on HLL in the beginning of the year at the provisional rates based on the L1 rates of the previous year. Subsequently, the L1 rates determined through the open tender shall be made applicable to HLL as the final rate for its supplies during the same financial year. In the absence of L1 rate determination through the tender process, reference shall be made either to Tariff Commission (TC) of the Ministry of Commerce & Industry or Cost & Accounts Branch (CAB) of the Ministry of Finance for determining the fair price for the supplies from HLL.

MoHFW based on the representation by HLL, referred to CAB for fair price fixation of Condoms supplied by HLL during 2019-20 and the study report is submitted. As per the price communicated by MoHFW , HLL is eligible for a minimum of Rs. 3.88 crore as price escalation and this is recognized as unbilled revenue during the year. CAB in their report has made a differentiation in the fixed cost component of price as normal cost and abnormal cost. Fair price was recommended excluding the abnormal cost empowering MOHFW to consider price including abnormal cost as it deems fit. MoHFW has accepted the price excluding abnormal cost. HLL has represented to the Ministry to consider the alternate price in the CAB report, which is based on the actual cost incurred by the company for HLL to submit the supplementary bills.

2.11 M/s. Life Spring Hospitals (P) Limited was formed in February 2008 as a Joint Venture entity with 50:50 equity shareholding between HLL Lifecare Ltd. [HLL] and M/s Acumen Fund Inc., USA [Acumen]. This JV was formed with the objective of providing High Quality, Affordable Maternal Health Care for Low-Income Women across India. It operates small-sized (20 bed) maternity hospitals in the proximity of urban slums. The hospitals also provide paediatric care (including immunizations), diagnostic and pharmacy services, and health care education to the communities in which they are located. At the end of the FY 2022-23 (up to 31.03.2023), total investment by HLL in the equity share capital of the JV was ₹9.51 Crores.

Presently, the JV is running a cluster of ten hospitals in Hyderabad. The JV company turned profitable since 2016-17 and reported profits consecutively except for FY 2020-21 due to Covid pandemic.

2.12 MCA has vide order dated 22.03.2021 approved the demerger of HLL Biotech Ltd, the 100% subsidiary formed by HLL for setting up the Integrated Vaccine Complex as approved by CCEA . HLL Biotech Ltd has ceased to be the subsidiary w.e.f the appointed date of the scheme ie., 01st April 2019 and HBL has become a CPSE under the direct ownership of Govt. of India. Accordingly, the share capital invested by GoI and corresponding investment made by HLL is reduced to the tune of Rs. 274.88 Crores. The initial investment of Rs. 0.01 crs made by HLL is shown as receivable from Govt of India in Note 13- Current Financial Assets- Others. HLL Vide Letter No.HLL/CS/Demerger-HBL dated 23rd August 2022, requested Government of India for refund of Rs.0.01 crs invested by HLL in the paid-up share capital of HBL

2.13 The Parent Company is in possession of 430.10 acres of land since January 2008, allotted on lease for a period of 99 years from the Central Leprosy Teaching Research Institute (CLTRI), Tamil Nadu, under directives from Ministry of Health & Family Welfare, Govt. of India. The Public Investment Board (PIB), Ministry of Finance, Govt. of India in its meeting held on 10.02.2012 recommended and as approved by Cabinet Committee of Economic Affairs (CCEA), 100 acres of land was earmarked out of the 430.10 acres in possession with the Company at Chengalpattu for setting up of the Integrated Vaccine Complex (IVC), for a value of ₹10.12 crores (56 acres @ ₹0.17 crs per acre and 44 acres of hillock @ ₹ 0.02 crs per acre).

M/s HLL Biotech Limited (HBL), was formed as 100% subsidiary of HLL for setting up the IVC, in line with the PIB recommendations. As the legal formalities of transfer of 100 acres of land in the name of HLL and in turn to HBL was not completed, the Company had, on 20th February 2014, sub-leased the 100 acres identified for the purpose, in favour of HBL @ ₹1/- for 94 years.

Out of 100 acres land leased to HLL Biotech Limited, 3.38 Acres of land is given on lease to Tamil Nadu Generation and Distribution Corporation Ltd [TANGEDCO] (Subsidiary of TNEB Ltd.) for a period of 92 years, on an annual lease rent of ₹1/- only. The sub-lease between HBL and TANGEDCO was executed on 19th September 2016.

Subsequent to the Scheme of arrangement of Demerger, HBL had vide letter dated 19th October 2021 requested HLL to issue a letter indicating transfer of leasehold rights of 100 acres of land relating to IVC project situated at Chengalpattu, Tamilnadu. In response, HLL had by letter dated 30th October 2021 informed HBL that according to Para 3.4 of the Demerger Scheme approved by the MCA by its Order dated 22nd March 2021 the leasehold rights of 100 acres of land relating to IVC project situated at Chengalpattu, Tamilnadu stands transferred to HBL. A copy of this letter was marked to CLTRI for information.

Further, HLL and HBL have executed a Memorandum of Understanding (MOU) pursuant to the Scheme of arrangement at Sub-Registrar Office (SRO), Chengalpattu on 6th Jan 2023. The MoU was submitted to the office of Sub-Registrar, Chengalpattu on the aforesaid date for registration under Section 8G of the Indian Stamp Act by requesting for waiver of stamp duty. The registered copy of the MoU from the SRO, Chengalpattu is awaited.

2.14 Based on the Cabinet Approval to sub-lease the 330.10-acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to the company in 2009, for setting up Medipark, HLL Medipark Limited (HML) was incorporated as a separate 100% subsidiary of HLL on 20th December 2016. The said 330.10-acre land was allotted to HML on sublease basis during March 2017. HLL has invested Rs. 6.40 Crores towards Equity share capital in HML.

Consequent to the approval of the scheme of arrangement of Demerger of HML from HLL by MCA vide order dated 31st March 2021, HLL Medipark Limited has ceased to be the subsidiary w.e.f ,01st April 2019. As per the scheme, Govt of India shall pay HLL Lifecare Ltd the consideration of equity investment made by HLL in HML of Rs 6.40 Crore. Accordingly, the investment made by the company in HLL Medipark Limited is disclosed as Receivable from Govt. of India under -Note 13. Current Financial Assets - Others

HLL has requested Ministry of Health and Family Welfare to take appropriate action(s) necessitated by the Demerger of HML and based on the actions taken by the Ministry, HML has become a CPSE under the direct ownership of the Government of India.

According to Clause 3.4 of the Scheme of Demerger of HML from HLL approved by the Ministry of Corporate Affairs all rights in any immovable property forming part of the demerged Undertaking shall stand transferred and be vested in the resulting company ie.,HML. In spite of this, considering the fact that land is immovable property, re-documentation may have to be done to complete the process of transfer the lease directly in the name of HML.

As in case of HBL referred in Para 2.13, HLL had proposed to TIDCO to execute necessary documentations for change in revenue records of the 330.10 acres of land on 04th December 2022. TIDCO in turn informed MOHFW that they are not in a position to execute the documents since, the Chief Secretary, GoTN had requested MOHFW, GoI to transfer the land to Govt. of Tamil Nadu and take back the management of HML by MOHFW.

2.15 The Cabinet Committee on Economic Affairs (CCEA), Government of India, in its meeting held on 1st November 2017 has granted 'in-principle' approval for hiving off the Vaccine venture and Medipark project of HLL Lifecare Limited [HLL] as separate SPVs with 100% equity holding by Govt. of India within a period of three months and thereafter sale of 100% of Government's equity in HLL via a two-stage auction process. The Department of Investment and Public Asset Management (DIPAM), the nodal agency coordinating the disinvestment process selected (1) M/s. Price Water House Coopers Pvt. Ltd. (PWC) as Transaction Advisor (TA) and (2) M/s. Crawford Bayley& Co. as Legal Advisor (LA) through competitive bidding process. M/s. Adroit Technical Services Pvt. Ltd was selected as Asset Valuer (AV) by the Administrative Ministry through competitive bidding process.

The Notification inviting Expression of Interest (EOI) from interested investors for the proposed strategic disinvestment of HLL together with Preliminary Information Memorandum about HLL was published by the TA on 14th December 2021.

After publishing HLL PIM and invitation for EOI, Department of Investment and Public Asset Management, Ministry of Finance, Government of India [DIPAM] published four (4) corrigenda on the websites of DIPAM, Ministry of Health & Family Welfare, Transaction Advisor and HLL.

According to the schedule published by the TA, last date for submission of EOIs through online mode was 14th March 2022 and the last date for submission of physical copy of EOI was 21st March 2022. The due date for TA to give intimation to Qualified Interested Bidders (QIB) was 28th March 2022. From the beginning of July 2022, TA started gathering information and documents relating to HLL, HLL subsidiaries and HLL Associates for making them available to interested short-listed bidders through Virtual Data Room (VDR).

Periodic review meetings are organized by the Department of Investment and Public Asset Management with HLL, Transaction Advisor, Legal Advisor, the Ministry of Health & Family Welfare and other Departments / Ministries of the Government of India concerned to discuss about the proposed disinvestment and actions required with regard to proposed strategic disinvestment of HLL along with subsidiaries and associates.

Due diligence process is still continuing and HLL group entities are providing clarifications/ additional information as sought by the Bidders.

2.16 Goa Antibiotics and Pharmaceuticals Ltd(GAPL) is a subsidiary of HLL since 2014 along with EDC Ltd Goa, with a 74% stake by HLL. As per the audited financials of the company as on 31.03.2022, the networth of the company was negative and as per the DPE guidelines the company became sick.

GAPL management in its 191st Board meeting held on 09-05-2022 presented a Revival plan, and the same was agreed to in principle by GAPL Board with a plan to infuse additional equity of Rs. 14.31 Crores by both the JV partners i.e. HLL Lifecare Ltd and EDC Ltd. in the ratio of their shareholding. Later on, EDC Ltd., Goa decided not to infuse the additional equity in GAPL and agreed to dilute its shareholding. Therefore, in the 284th Board meeting of HLL held on 26th July 2022, the Board of HLL has approved the proposal to make additional equity investment of Rs.14.31 Cr. from the internal resources of HLL in three (3) stages as mentioned below.

- Stage 1 - Pending increase of Authorised share Capital by GAPL and amendment of Terms and Conditions of Shareholders and Share Purchase Agreement of GAPL, HLL may make initially additional equity investment in GAPL to the extent of Rs. 4.42 Cr, being 74% of available free authorized share capital of Rs.5.98 Cr
- Stage 2 – HLL may make additional equity investment in GAPL to the extent of Rs. 1.56 Cr, being 26 % of remaining free authorized share capital of Rs.5.98 Cr. up on EDC renouncing the shares offered by GAPL and after suitably amending Terms and Conditions of Shareholders and Share Purchase Agreement GAPL to facilitate such additional investment.
- Stage 3 - HLL may make additional equity investment in GAPL to the extent of remaining Rs. 8.33 Cr. (i.e., Rs. 14.31 Cr. minus Rs. 5.98 Cr.) after GAPL increases its authorized share capital to Rs. 34.00 Cr. or to any other lower but sufficient amount.

With this additional investment of Rs.14.31 Cr. above, the shareholding of HLL in GAPL will increase from existing 74 % to about 85 % and shareholding of EDC will decrease from 26 % to about 15 %.

After obtaining approval of the Board and the Shareholders, GAPL has issued Letter of Offer dated 1st November 2022 to raise aggregate additional equity share capital Rs. 5.98 Cr. from HLL Lifecare Ltd. and EDC Ltd. (existing Shareholders) by way of Rights issue in the ratio of 74 : 26 respectively. i.e. 4,42,520 shares of Rs.100 each to be allotted to HLL and 1,55,480 shares of Rs.100 each to EDC Ltd. HLL accepted 4,42,520 shares offered by GAPL on 11th November 2022, and remitted consideration for Stage-1 investment of Rs.4,42,52,000/- in the Share Capital of GAPL on 22nd November 2022.

Accordingly, GAPL submitted the proposal to allot 4,42,520 Shares of Rs.100 each amounting to Rs.4,42,52,000 in 194th Board Meeting of GAPL held on 19-01-2023. During the Board meeting, GAPL drew attention of the Directors to the circulars issued by DIPAM indicating the aspects mentioned below as HLL had received these circulars from the Ministry of Health on the previous day of GAPL Board meeting.

i. Proposals involving minor changes in the capital structure of CPSEs shall be considered by the Administrative Ministries / Departments in the light of DIPAM's mandate as per the Government of India (Allocation of Business) Rules, 1961.

ii. In the case of major changes affecting the capital structure of CPSEs, the proposals may be forwarded to DIPAM by the Administrative Ministry / Department with their comments. These Circulars also indicate the matters that are considered as major changes in the capital structure of CPSEs.

In the aforesaid meeting, the Board advised GAPL to request HLL to send a letter to the DIPAM through the Ministry of Health and Family Welfare, GoI seeking clearance for the investment of Rs.14.31 Crores in GAPL. Moreover, GAPL decided to defer approval for the proposal to allot shares until clearance for the investment of Rs.14.31 Crores in GAPL is received from DIPAM. Therefore, allotment of shares for Rs.4,42,52,000/- paid by HLL to GAPL in November 2022 was pending as on 31-03-2023. Thus, the equity share capital of GAPL remains unchanged as on 31.03.2023.

Based on Board's decision conveyed by GAPL, HLL sent its proposal to invest Rs.14.31 Cr. in GAPL to DIPAM for approval through the Ministry of Health & Family Welfare. Based on the same, in the Inter Ministerial Group (IMG) meeting held on 13th March 2023, approval was granted for the proposed investment of Rs.14.31 Cr by HLL to GAPL.

In view of the approval granted in the IMG meeting, HLL on 15.05.2023 remitted to GAPL share application money of Rs.1,55,48,000 (Rupees One Crore Fifty Five Lakhs Forty Eight Thousand Only), being the consideration for 1,55,480 equity shares of Rs.100 each to be allotted to HLL.

Considering the above, in 195th Board meeting of GAPL held on 23rd May 2023 the GAPL Board of directors decided to allot 5,98,000 Shares of Rs.100 each amounting to Rs.5,98,00,000 to HLL for which the entire consideration has already been received.

The first and second stage of the equity investment scheme has been implemented and the third stage is in process. With the infusing of additional equity and the implementation of the revival plan with new business strategies with a better focused approach by HLL including strengthening the top management of GAPL, it is expected that GAPL will turnaround during 2023-24 and hence HLL does not envisage any impairment in the investment in GAPL.

2.17 HLL Mother & Child Care Hospitals Limited (HMCCHL) was formed as a separate 100% subsidiary of HLL on 1st August 2017, as a Special Purpose Vehicle for operationalization of Mother & child Hospitals Wings in Uttar Pradesh. HLL had invested Rs. 0.10 Crs towards equity share capital in HMCCHL. However, HMCCHL could not serve the objective for which the SPV was set up.

The Board of Directors of HMCCHL in 12th Board meeting held on 23rd July, 2021 decided to get removed the name of HMCCHL from the records of the Registrar of Companies [ROC] in accordance with the provisions of Section 248 of the Companies Act, 2013 [the Act] in order to do away with the administrative cost and legal compliance issues of maintaining a shell company. Additionally, HLL Board of Directors in its 280th Board meeting held on 27th July 2021 approved the proposal to submit necessary application with the ROC.

As required by Section 248(2) of Companies Act, 2013, HMCCHL had extinguished assets and liabilities, and prepared "Nil" Balance sheet for the Financial Year 2020-21, HMCCHL is not required to prepare financial statements from Financial Year 2021-22 onwards.

The necessary approvals in the form of an Indemnity bond, from Ministry of Health and Family Welfare (Government of India) were received in March 2023, vide OM No. A.45013/166/2021-HPE dated 15.03.2023. Presently, HMCCHL is in the process of filing Form STK-2 to strike off name of the Company from the Register of Companies.

2.18 HLL Biotech Ltd, the erstwhile 100% subsidiary of HLL had appointed HLL's - Infrastructure Development Division (IDD) as Civil Construction consultant for setting up the Integrated Vaccine Project in Chengalpattu. The construction project was awarded by HLL to M/s Shapoorji Pallonji & Company Pvt Ltd (SPCPL), Chennai through an Open Tender Process.

The project was completed by SPCPL with a delay of 571 days from the revised scheduled date of completion. Therefore, a dispute arose between the parties with regard to payment due to SPCPL. SPCPL has initiated an arbitration claim of ₹74.95 Crores against HLL/HBL, against which HLL/HBL has filed a counter claim of ₹ 46.07 Crores.

Since the project was awarded initially by HLL to SPCPL on behalf of HBL, the Board of Directors of HBL vide meeting dated 22.07.2019, had agreed to taking over of the arbitration claim of SPCPL as the same is pertaining to the construction of HBL- IVC.

The arbitration proceedings concluded on 28.02.2023, and after dismissing all the claims of SPCPL the arbitrator allowed the counter claims of HLL/HBL aggregating to Rs.25 Crs and part interest was allowed, apart from Rs.0.35 crs as cost.

HLL has filed a petition dated 28.02.2023 under Section 33 of the Arbitration & Conciliation Act , 1996 for correction of computation errors and clerical or typographical errors in the order. Subsequently, SPCPL filed their reply to HLL's Section 33 petition in April 2023. The Honorable arbitrator has informed that the application will be heard on a future date, to be notified.

2.19 The Competition Commission of India (CCI) suo moto had initiated (30.9.2014) an investigation against ten private manufacturers of male contraceptive products for alleged cartelisation in tenders floated by Ministry of Health and Family Welfare (MoH&FW) during the period 2010 to 2013 and upon investigation the Company was also included as a party to the alleged cartelisation. All information sought from HLL was also submitted.

In view of the Order dated 14.10.2019 passed by the Hon'ble Court of Telangana in W.P. No. 22293 of 2019,filed by M/s Indus Medicare Limited, Hyderabad staying all further proceedings in the matter, the Commission decided to cancel the date of final hearing on DG Report fixed in the matter on 20.11.2019 and communicated the same to HLL along with other Opposite Parties on 15.11.2019.No further communication from CCI was received after 15.11.2019.

2.20 During the year 2018-19, Central Government Health Services (CGHS) communicated the approval of the competent authority for procurement of medicines required by CGHS through HLL AMRIT stores. As per the OM dated 21st August 2018, the payment for the medicines supplied shall be made at a discount of not less than 30% of MRP. Accordingly, supplies were completed.

The terms of billing were revised at a later date to Cost plus 25% markup on medical supplies to CGHS. CGHS paid to HLL amount towards purchase cost plus GST only, however the claim towards (25% markup) service charges is still pending.

The total dues from CGHS towards such service charges is Rs. 15.71 crores as on 31.03.2023. HLL is following up with CGHS for the full and final settlement and representing to CGHS, however no resolution has been provided in spite of a high level meeting held .A provision towards the receivable is already created during 2021-22 in the books. HLL is regularly following up with the authorities.

2.21 RBD and HCS divisions of the parent company are using multiple softwares like Eco Green, LIS, HMIS, RIS & Billing module, Teleradiology, PACS and RISPACS for capturing daily transactions at centres. Summary of transactions are captured in HLL books of accounts on a periodical basis.

2.22 Government Grants:

a. EMI EMC Lab

An amount of ₹14 Crores was received by HLL, the parent company from MoC&I during November 2016 for setting up testing lab for medical equipment at HLL campus, Noida under Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE).

As per the terms of the sanction letter,

a. A committee shall be constituted by HLL for implementation and monitoring the projects including a representative from the Department of Commerce,

b. the project is to be completed in time bound manner,

c. HLL has to submit the utilisation certificate by 31.03.2018,

f. In the event of grantee failing to comply the terms and conditions, whole or part of the grant is liable to be refunded with interest at 10% per annum.

However due to COVID and various other reasons there was a delay in the setting up of the lab and finally Lab got installed, commissioned and got NABL accreditation effective from 21st October 2022.

The utilization certificates were submitted to MoC & I as stipulated on regular basis and the UC up to 31st March 2023 is also submitted.

The company has refunded the unspent balance of Rs. 0.95 crs to MoC&I during March 2023. Further an additional amount of Rs. 1.64 crs out of the Grant is to be refunded to MoC&I and this has been included under liability in Note No:24 other current Liabilities.

The company is yet to get a written approval for the extension of time. However, Ministry has not denied HLL's request categorically. The company does not envisage repayment of the grant as the lab is now completed and commissioned in all aspects.

A Contingent liability of Rs 1.29 crs is considered towards interest on the un-utilised amount as on 31.03.2023 from the date of scheduled completion of 31.03.2018.

b. Grant for R& D Projects

The corporate R&D centre of the parent company is in receipt of grants from Govt for various projects which includes capital as well as revenue grant. The Government Grants are from Board of Research in Nuclear Sciences (Rs.0.24 Crore)is for "Development of Electrospun-Q-dots Nanofibrous-membrane for dual purpose fluorescence and electrochem", from Science & Engineering Research Board (Rs.0.17 Crore) for "Development and characterization of Metal Reduced carbon nanomaterials-composite nanofibrous membrane for paper based optical biosensor for Malaria detection" & from Directorate of Environment & Climate Change (Rs.0.22 Crore) on "Novel, cost effective and eco-friendly cellulose nanofibre(CNF)-based Polyelectrolyte microfiltration filter for small scale waste water purification". The above figures are arrived as follows.

Funding agency	Sanctioned amount	Till FY 20-21	During FY 21-22	During FY 22-23	Total (Rs in Crs)
BRNS	**0.37**	-	**0.19**	**0.05**	**0.24**
SERB	**0.29**	**0.17**	-	-	**0.17**
DoECC	**0.22**	**0.12**	**0.04**	**0.06**	**0.22**

2.23 During the year 2015-16, the parent company had exported 69.88 Mpcs of male condoms to Ministry of Ethiopia through Pharmaceutical Fund and Supply Agency, Ethiopia and the collections were also received.

Later, on 26.11.2015, PFSA communicated that some of the batches failed the tests of Ethiopia Food Medicines and Health Care Administration (EFMAHCA). It was agreed to replace on 28.11.2016 the entire supplies in four consignments on the condition that the Ethiopian entity has to send back equal quantity of the defective material against each batch of replacement done by HLL.

HLL replaced 15 Mpcs of Condom (in 35 batches) and in return Pharmaceuticals Fund and Supply Agency (PFSA) has returned 15 Mpcs from 137 batches during 2017-18.

The returned goods were further tested at Central Drug Testing Laboratory, Chennai and all batches were passed.

PFSA had informed on 13.02.2018 that they would not continue with the replacement, as agreed earlier. PFSA, Ethiopia had sent a legal notice dated 13.02.2018 demanding refund of balance amount paid to us. However, HLL denied the same vide letter dated 21.02.2018.

On 23rd September 2020, PFSA filed a Civil Case against HLL with the Federal High Court – Federal Democratic Republic of Ethiopia in line with the above matter for a claim amount equivalent to INR 45.60 Cr.

HLL received intimation from the Federal High Court – Federal Democratic Republic of Ethiopia on the first hearing on the matter in February 2021.

HLL has filed the defense statement and written arguments through counsel and after multiple hearings the matter was reserved for orders on 23rd January 2023 and getting adjourned due to massiveness of the case. On 24th July 2023, the judgement for the case is received and the decision is passed in favour of HLL. The claims of the PFSA was not accepted by the Federal High Court. Accordingly, the claim of Rs 45.60 Cr is removed from the contingent liability.

2.24 Pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to movement in provisions made in the accounts for the year ended 31st March 2023 is as follows:

(₹ in Crore)

Particulars	Provision against Inventories*		Allowance for Bad and doubtful debts**		Provision for Others**	
Year	**22-23**	**21-22**	**22-23**	**21-22**	**22-23**	**21-22**
Opening Balance	5.32	1.79	195.77	25.52	15.39	15.39
Additions	0.17	4.18	12.00	172.10	5.58	-
Utilizations	-	-	0.55	1.51	-	-
Reversals	0.78	0.65	0.36	0.34		-
Closing Balance	**4.71**	**5.32**	**206.86**	**195.77**	**20.97**	**15.39**

*Provision created against obsolete inventories

**Provision created against receivables, Loans & advances and Advance to employees

2.25 Trade Receivables as per Note No 10 includes ₹ 137.41 crores receivable to HLL from Employees State Insurance Corporation (ESIC) . Out of this, ₹123.74 Crores pertains to claims for Construction of Medical College at Paripally in Kerala, the project started in November 2010, was completed, and taken over by ESIC on 21/10/2016 and balance ₹13.67 crores pertains to other assignments. Out of this ₹ 123.74 crores, ₹ 28.98 crores is value of work done and ₹ 94.76 crores being escalation claims pending approval for extension of time from October 2012.

As against this ₹ 94.76 crores of receivable, ₹ 62.45 crores is recognized as expenses towards escalation claims payable to M/s. L & T as part of their bills on this turnkey project.

While HLL was following for release of eligible payments due as per contract, ESIC vide letter dated 27.03.2018 directed HLL to pay back ₹ 92.93 crores, which is not based on any agreed contract terms between HLL and ESIC dated 21.01.2010.

Considering the long pending receivables, HLL had requested for dispute redressal process dated 28.03.2018 as per agreement between ESIC and a claim of Rs.437.19 crores is submitted in arbitration.

However, after the claims were submitted by HLL and proceedings were going on, the mandate of arbitrator was terminated by Hon'ble Delhi High Court on request of ESIC.

Since this was causing inordinate delay in the dispute resolution, HLL decided to adopt Administrative Mechanism for Resolution of CPSEs Disputes [AMRCD] in this dispute and approval to this effect was accorded in 282nd Board meeting held on 24.01.2022. The request / application for initiating AMRCD proceedings was made to the Secretary, MoHFW . Vide order dated 26.04.2022, a committee comprising of Secretary, Ministry of Health and Family Welfare, Secretary, Ministry of Labour and Employment, and Secretary, Department of Legal affairs was constituted.

The committee is mandated to finalize its decision within 3 months of its constitution. The first meeting of the committee was held on 02.05.2022, and the latest (3rd) meeting was held on 27.01.2023, wherein the Committee inter alia proposed the parties to arrive at an amicable settlement of the dispute. Considering the long pendency, and as precautionary measure a provision has been created in the books in the year 2021-22 towards this receivable.

There is a claim by L&T on the same contract against HLL and due to the pendency of dues with M/s. L & T, Dispute redressal mechanism as per contract was initiated by M/s L&T.

Accordingly, HLL appointed Sole arbitrator on 20.07.2019 which was consented to by L&T, and M/s. L&T submitted claim of ₹ 278.95 crores along with interest (up to 30.09.2019) of ₹ 248.07 crores.

HLL submitted its statement of Defence, denying the claims along with a counter claim of ₹ 38.50 crores on 24.12.2019.

Further while responding to the Rejoinder of L&T, the counter claim of HLL was revised to ₹53.98 crores on 14.07.2020. L & T filed a petition with Hon'ble Delhi High Court to terminate the mandate of sole Arbitrator and the Hon'ble High Court allowed the petition and passed order terminating the mandate of Sole Arbitrator and appointed a new sole Arbitrator, (Justice Indu Malhotra, retired justice of Supreme Court)

HLL filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court challenging the order of the Hon'ble High Court of Delhi.

The SLP got disposed off subsequent to the hearing dated 16.05.2023, and HLL has filed a Review petition against the Order.

However, Hon'ble Sole Arbitrator, in compliance with the order dated 16.05.2023, entered into reference and the 1st meeting of the reconstituted tribunal was held on 03rd June 2023 and further 2nd meeting was held on 05th July 2023

2.26 HLL in association with Gujarat State Government started the process of opening AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores (ADDPMJAS) as part of their initiative for promoting Generic Drugs across the State. In this regard, HLL signed a MoU with M/s. Gujarat State CSR Authority and M/s. Gujarat Medical Services Corporation Limited [GMSCL] on 6th September 2016 for setting up and operating pharmacies until a JV Company is formed. HLL had set up 52 AMRIT Deendayal Pradhan Mantri Jan Aushadhi Stores in Gujarat in the month of November 2016. In 2017, A JV company was formed by Govt of Gujarat, but it did not take over the Assets, Liabilities and Operations of Retail Drug Stores. As per the Resolution dated 08.05.2018 passed by Health and Family Welfare Department, Government of Gujarat, HLL had taken over the operations of the stores.

As per the above Resolution, GMSCL has agreed to settle the loss amount of Gujarat operations till the date of transfer after conducting audit of the same.

The cumulative loss up to 17/05/2018 amounting to ₹ 12.32 Crores is accounted as receivable from M/s Gujarat Arogya Seva Private Limited [GASPL] under Note 14 – Other Current Assets. Further ₹ 13.70 Crores is due from Gujarat Medical Services Corporation Ltd (GMSCL) against medicine supplies, which is included in Trade Receivables and a provision towards this is available in the books. An amount of ₹ 15.00 crores received by HLL as revolving fund from GMSCL is shown under Note 22 – Current Financial Liabilities Others.

As per the MOU terms, GMSCL vide letter dated 28.01.2021 has appointed M/S Dhirubhai Shah & Co LLP, Chartered Accountants to do the special audit of the HLL claim of operational loss.

The auditors appointed by GMSCL has submitted their final report to GMSCL and HLL also received a copy of the same. The above auditor has recommended Rs.8.44 Cr out of the total of Rs.12.32 Cr. The total dis-allowance by the auditor is Rs.3.88 Cr for which provisions is available in the books. GMSCL will settle the outstanding amount after obtaining the approval from their competent authority.

2.27 Note 14 - Other Current Assets include an amount of ₹4.92 Crs receivable from M/s Goa Mining Industries which was under Arbitration. During the year 2018-19, the parent company has received an arbitral award in favour of the company for ₹ 4.92 Crs with interest at 9% per annum w.e.f. 01.04.2014 in the case of M/s Goa Mining Industries. Provision towards this is available in the books.

During May 2020 to March 2023, HLL published tender notifications on four occasions inviting proposals from detective/recovery /asset identification agencies for collecting details of assets of M/s Goa Mining Industries/ their heirs. However, HLL did not receive any responsive offers.

Subsequently, in April 2023, HLL engaged the law firm M/s Legal Icon Advocates and Corporate Legal Consultants LLP, Cochin for filing Execution Petition and / or allied services till realization of amount due from M/s Goa Mining Industries. The law firm is in the process of ascertaining the assets of M/s Goa Mining Industries

2.28 Leases where the group is Lessee.

The Group's leases mainly comprise of land and buildings and Plant and equipment for manufacturing, business as well as warehouse facilities.

The details of ROU Assets and Liabilities are as follows:

Right of Use Assets (Leased Assets) **₹ in Crore**

Particulars	Building	Plant & Equipment	Total
Balance as on 1st April 2021- Net Block	**5.90**	**29.73**	**35.63**
Additions during FY 2021-22	0.27		0.27
Disposals			
Balance as on 31st March 2022	6.17	29.73	35.90
Depreciation 21-22	0.78	7.41	8.19
Net Block as on 31st March 2022	**5.39**	**22.32**	**27.71**
Balance as on 1st April 2022	**5.39**	**22.32**	**27.71**
Additions during FY 2022-23	0.12		0.12
Disposals			
Balance as on 31st March 2023	5.51	22.32	27.83

Depreciation 22-23	0.76	7.41	8.17
Net Block as on 31st March 2023	**4.75**	**14.91**	**19.66**

Lease Liability ₹ in Crore

Particulars	Lease liability
Balance as on 1st April 2021	35.69
Additions during FY 2021-22	0.27
Interest accrued	2.59
Lease rent	10.14
Balance as on 31st March 2022	**28.42**
Balance as on 1st April 2022	28.42
Additions during FY 2022-23	0.12
Interest accrued	1.96
Lease rent	10.17
Balance as on 31st March 2023	**20.33**
Lease liability classified as current	**8.52**
Lease liability classified as Non-current	**11.81**

As required by the Standard, maturity analysis of Lease Liabilities have been shown separately from the maturity analysis of other financial liabilities under Note 33: Financial Instruments.

2.29 Nodal agency for Procurement of COVID-19

MoHFW on 21st Feb 2020 designated HLL as the nodal procurement agency for procurement of essential medical supplies concerning Covid-19 management. The emergency medical supplies covered Personal Protective Equipment's (PPE) Kits consisting of Coverall (Garments), N95 mask, Goggles, Nitrile Gloves, Face Shield, Triple Layer Surgical mask and other products ie., Ventilators, Medicines like HCQ & Azithromycin, Cartridges etc. HLL as per directions from MoHFW, initiated the procurement of above products by identifying potential manufacturers / suppliers from domestic sources, developed manufacturing capabilities with the help of Ministry of Textiles (MoT), standardized testing protocols, and the help of Indian Missions abroad was sought for import from overseas suppliers. A 24/7 Emergency Control Room was made operational for the purpose.

During January 2021, HLL was appointed as Procuring Agency for the procurement of Covid19 Vaccine as well. The procurement was to be made from three domestic vaccine manufacturers, as identified by Government of India, with upfront payment and supply commitments. For initial order, funds towards the same was released from PM CARES fund and thereafter, MoHFW is funding the vaccine procurement through HLL. HLL has utilized the capacity of HLL Biotech Limited towards the vaccine procurement activities and accordingly management fee on vaccine supplies were shared with HLL Biotech Ltd. As covid 19 infections have subsided in India, the unexecuted portions of Purchase orders issued during 2021-22 were completed in the financial year 2022-23 without any new orders.

HLL has purchased and supplied Covid Vaccines for the Financial Year 2022-23 from the sources of MoHFW fund.

Supplier	Vaccine	No. of Doses
Bharat Biotech International Ltd	**Covaxin**	**3.17 Crs**

Biological E Ltd	**Corbevax**	**4.85 Crs**

HLL has availed services from HLL Biotech Ltd, erstwhile subsidiary of HLL towards Covid Vaccine procurement. HLL paid 50% of the management fee received from MOHFW for supplies of vaccines from Bharat Biotech International Ltd.

In addition to the above Vaccines, HLL Lifecare Limited has continued the carried forward supplies of Ventilators also

2.30 Balance in Debtors, Creditors and loans and advances are subject to confirmation / reconciliation. However, most of the debtors are government /government institutions Receivable in Foreign Currency out of Export sales is subject to confirmation/reconciliation and consequently Foreign Currency Valuation gain or loss may vary.

2.31 Additional Disclosure for Investment Properties:

(i) Rental Income: ₹ in Crores

Description	**As at 31st March 2023**	**As at 31st March 2022**
Rental income	0.60	0.85
Direct operating expenses that generated rental income	0.00	0.00
Direct operating expenses that did not generate rental income	0.00	0.00
Profit from leasing of investment properties before depreciation	0.60	0.85
Depreciation	0.07	0.17
Profit from leasing of investment properties	0.53	0.69

(ii) Fair value:

Fair value of Investment Properties as on 31st March 2023 is estimated at ₹ 1.62 crores based on CPW ratings per PAR (Plinth Area Reference).

(iii) Depreciation:

Depreciation on Investment properties have been made in line with the requirement under schedule II of the Companies Act, 2013.

2.32 Contract Expenses are direct expenses incurred towards the implementation of various projects by Projects & Services Division against which Contract Income is recognized.

2.33 (a) HLL was awarded the tender with contract validity of 5 years for providing free diagnostic services in all healthcare delivery institutions under the Directorate of Health Services in the state of Maharashtra during 2017. Accordingly, an agreement was executed between the State Health Society Maharashtra and HLL Lifecare Limited during Feb 2017. As per Clause 7(ii) of the agreement, HLL is eligible for a Minimum assured volume which starts from the date of complete implementation of the program or 3 months from the date of signing the contract whichever is later. Until such time, payment would be on actual basis. The minimum assured sample volume is 22000 samples per working day. It will be reimbursed in the same proportion as that of the actual sample volume achieved during the respective period.

HLL started applying this clause in our claims with effect from November 2017 itself. However, NHM did not accept our claim citing that the HLL had not completed the implementation of the program in all the aspects as per the agreement and asked us to submit our claims on actual basis only. Though subsequent claims were submitted on actual basis to NHM, HLL was pursuing its claim for minimum assurance (w.ef. November 2017) parallelly through separate letter communications.

As per NHM, the performance obligations in the contract was not fully satisfied by HLL in the same manner as described in the agreement so that it can take complete economic benefits arising out of the contract. Due to the absence of customer acceptance as described above, HLL did not recognize revenue in its books for the minimum assured sample volume from the beginning of the contract.

After several follow ups & discussions with NHM during the past 3-4 years, NHM finally approved our claim for minimum assurance from 10th February 2018 onward till June 2022 during February 2023. Accordingly, an amount of Rs 200.10 Cr was received during February 2023 as approved by NHM for reimbursement comprising of Minimum assurance from 10.02.2018 and 3% annual price escalation from September 2021. The revenue of Rs 200.10 Crores and expenditure, being the expenditure to service provider of Rs 187.51 Crores is spread across the applicable years as follows:

Rs. In crores	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Income	6.12	52.86	30.93	49.07	49.96	11.17
Expenses	5.73	49.53	28.98	45.99	46.81	10.47

(b) Further, as per the agreement with NHM Maharashtra, HLL is eligible for 3% annual escalation in the quoted rates. HLL had accounted Rs. 20.05 Crore towards this for the period November 2018 to June 2021. However, NHM has given approval for applying the annual rate escalation from September 2021 only. Thus, the escalation Rs. 20.05 Crore is charged off to P&L and the corresponding liability towards service provider of Rs. 18.85 Crore is written back. The net impact in Statement of Profit or loss is Rs. 1.20 Crore.

2.34 Some of the receipts in collection bank accounts of the parent company could not be identified against the relevant customers from whom the collection is received are classified as "Unspecified Receipts" in Note No. 24 (a) Advance from Customers/Clients. These balance can be realisation from debtors or advance receipts. The debtors/advance balances are subject to confirmation and are subject to change to that extent.

2.35 As per the provision of Annexure- III of the DPE O.M. No. 2(70)/08-DPE (WC)-GL-XVI/08 dated 26th Nov, 2008, the PRP would be based on physical and financial performance and will come out of profits of the CPSE. 60% of the PRP will be given with the ceiling of 3% of profit before Tax (PBT) and 40% of PRP will come from 10% of incremental profit. Incremental profit would mean the increase in profit as compared to previous year's profit. The total PRP, however, will be limited to 5% of the year's PBT, which will be for executives as well as non-unionised supervisors in a CPSE.

As per the above guidelines maximum ceiling of PRP is 5% of the year's profit from core business activities (without consideration of interest on idle cash/ bank balances), accordingly a provision of Rs 1.49 crs has been made for PRP during current Financial Year in the books of HITES in order to follow the matching principle of accounting. As per the matching principle, the expenses should be recorded during the period in which they are incurred, regardless of when the transfer of cash occurs.

However, Payment of above mentioned amount will be made after obtaining separate approvals from the competent authorities as per the eligibility of the company with reference to the above mentioned DPE guidelines

2.36 HITES has not disclosed the remaining performance obligation as per IND AS 115 related disclosures for contracts which are under execution and not completed as on 31/03/2023 as remaining performance obligation are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

2.37 HITES is an executing agency & procurement support agent and undertakes the construction and procurements projects related to Hospitals & Medical College for the clients.

The payment made for construction and procurement are charged to the projects held by HITES. The revenue of the company is booked only for the eligible consultancy fee as per the agreement with client and as defined in IND AS 115 and not for the gross construction and procurement value. Hence the GST credit related to the payments made for the construction and procurement for projects are not eligible to HITES.

During the year, an amount of Rs.60.65 crs (Approx.) towards GST credit against the procurement/contractor payments is not eligible to HITES and the same is not claimed. However, the same is reflected on the GST number of HITES.

2.38 HITES is claiming refund by adjusting Company's tax liability with TDS receivable of Rs. 3.16 crs (Approx.) i.e., deducted from the interest on project funds and project's mobilization advances. Since the interest belongs to the projects fund, as per the agreement with clients and the TDS deducted on the interest is recorded at the PAN of HITES, the same is taken as credit for income tax purpose and the equivalent fund is transferred back to the respective project fund

2.39 As per the terms of the agreement being awarded by MoHFW, various AIIMS and state level projects, HITES is liable to procure the medical equipment's (Domestic/Import) by using its own GSTIN & IEC in the capacity of pure agent on their behalf. The entire medical equipment's' procured as per the terms of the contract is being supplied/dispatched to the respective projects (consignees/sites) directly. The year wise break up of such materials are as under

A.

Particulars	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**
					Rs in crs
Procurement of Imported Goods	269.88	308.73	367.36	326.97	605.61
Procurement of Indigenous Goods	469.83	863.29	911.21	509.22	310.40
Total Value of Procurement	739.71	1172.02	1278.57	836.19	916.01

Since HITES is working as a Procurement and support agent on behalf of MoHFW, Government of India for their projects, the beneficial ownership of goods are with the respective projects only, the amount of the materials so supplied to the projects consignees has not been considered as a part of transaction value.

B.

Particulars	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**
Rs in crs					
Value of Work executed	472.02	757.77	558.18	899.80	400.61

2.40 With respect to GAPL financial statements:

1. The balances of Sundry Debtors, Loans and Advances, Claims, Advance with Suppliers and Sundry Creditors are subject to confirmation/reconciliation and consequent reconciliation, if any.
2. The Contingent Assets of GAPL is Nil.
3. Interest subsidy received from Goa Government is Rs. 0.09 Crores in the Financial Year 2022-23 as against Rs. 0.09 Crores in Financial Year 2021-22.
4. The Unsecured Trade Receivables outstanding for a period exceeding six months from the date they were due for payment includes Rs. 4.13 Crores receivable from Goa Food and Pharma Private Limited (GFPPL). The party has filed application for insolvency in National Company Law Tribunal (NCLT).
5. Impairment loss provided for the period ended 31st March 2023 is Nil.

6. Estimated amount of contract remaining to be executed on capital accounts and not provided for Tangible assets, under Development are NIL.

2.41 Assets classified as held for sale consists of non-current assets which are un-serviceable due to technological obsolescence and ageing of the assets and are declared as scrapped assets. These assets will be disposed off through a tendering process on regular intervals taking into consideration of the accumulation of these items and economic quantity of scrap disposal. Scrapped assets held for sale and not sold within a year are taken to non- current assets and provided for in the books.

2.42 Interest earned on deposits made out of the collections from Medical Counseling Cell project, being a project undertaken based on an MoU between Medical Counselling Committee, MoHFW & the parent company HLL, was considered as income in the previous years due to lack of clarity in the agreement. During the current year, based on the legal opinion, the income so recognized in the previous years has been reversed and considered as liability in the books of Project held under Trust.

2.43 The disclosures required on Financial Instruments as per Ind AS 109 are given in Note 33

2.44 The disclosures relating to Employee Benefit expense as per Ind AS 19 are given in Note 34

2.45 The disclosures relating to Contingent Liabilities and contingent assets as per Ind AS 37 are given in Note 35

2.46 The disclosure relating of Related Party transactions as per Ind AS 24 are given in Note 36

2.47 The parent company has included the Retail business and Diagnostic services as separate segments considering the threshold limits as per Ind AS 108 during the year. Accordingly, the previous years results are also disclosed as per the new segments. The disclosure in respect of Operating Segments as per Ind AS 108 is given in Note-37. The financials of HITES are included under 'Projects & Services' and that of GAPL are included under 'Others' in the consolidated financial statements.

2.48 The disclosure in respect of Income Tax and Deferred Tax as per Ind AS 12 is given in Note 38

2.49 Financial Information regarding subsidiaries and joint venture as required by Companies Act, 2013 is given in Annexure I & II.

2.50 The company has restated the previous year figures due to reasons mentioned above and the comparative opening balance sheet as on 01.04.2021 is prepared based on the restated balance sheet of parent company, opening balance sheet of GAPL and balance as on 31.03.2021 of HITES as there was no restatement in HITES.

2.51 The Parent company has recommended a dividend of Rs.11.93 Crores in its 290th Board meeting held on the 22nd August, 2023.

2.52 Figures of the previous year has been rearranged and regrouped wherever necessary.

	Additional Regulatory information as required by Companies Act
1	The Ministry of Corporate affairs has approved the scheme of arrangement of demerger of HLL Biotech limited and HLL Medipark limited with effect from 01-04-2019 vide MCA letter dated 22nd March 2021 and 31st March 2021. The holding company has accounted the effect of such changes in the financial year 2020-21 except for those stated in 2.13 and 2.14.
2	No proceeding under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) has been initiated against the group.
3	The Group has not been declared as wilful defaulter by any bank or financial institution or lenders.

4	All charges on assets have been registered with ROC within the statutory period.
5	The Group has not traded or invested in Crypto Currency or Virtual Currency during the Financial year 2022-23
6	The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Group
7	The Group has not revalued its Plant, Property and Equipment during the year
8	The Group has working capital limits with banks on the basis of security of current assets and the quarterly returns submitted to the banks are generally in agreement with books of accounts
9	With respect of compliance with number of layers of companies, the provision is not applicable to a Government Company as per Rule 2(d) of Companies (Restriction of number of Layers) Rules, 2017
10	The Group has not granted any loans or advance in the nature of loans to Promoters, Directors, KMPs and to Related parties either severely or jointly other than Advance disclosed under Note No 12 Loans and Note 36 Related party transaction.
11	As per the information available with the company the company does not have any relation with company struck off under the Companies Act.
12	To the best of our knowledge and belief no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity including foreign entity with 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 Group or provide any guarantee, security or like on behalf of the ultimate beneficiaries.
13	To the best of our knowledge and belief no funds have been received by the Group from any person or any other person or entity including foreign entity with 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 Group or provide any guarantee, security or like on behalf of the ultimate beneficiaries.
14	The Group doesn't have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax act 1961.

HLL Lifecare limited
Notes to Consolidated Financial Statements for the year ended 31 March 2023

Note 3 : Plant, Property and Equipment

a) Current Reporting period

Rs. In Crs

	Fixed Assets	Gross block				Accumulated depreciation and impairment				Net block	
		1 April 2022	Additions	Disposals/ Adjustments	31 March 2023	1 April 2022	Depreciation / amortisation expense for the year	Disposals/ Adjust-ments	31 March 2023	31 March 2023	31 March 2022
A.	**Tangible assets**										
	(a) Land										
	Freehold	5.93	-	-	5.93	-	-	-	-	5.93	5.93
	Leasehold	7.03	-	-	7.03	0.57	0.08	-	0.66	6.37	6.46
	(b) Buildings	174.35	0.57	-0.42	175.33	67.00	7.31	-0.04	74.35	100.98	107.35
	(c) Roads	1.10	-	-	1.10	0.95	0.01	-	0.96	0.15	0.16
	(d) Plant and Equipment	201.04	17.15	0.89	217.30	119.73	14.56	0.79	133.50	83.80	81.30
	(e) Electrical Installation & Eqpt.	47.08	0.60	0.12	47.56	37.05	2.51	0.10	39.46	8.09	10.02
	(f) Furniture &Fixture	33.77	2.47	0.11	36.13	27.42	2.72	0.11	30.02	6.10	6.35
	(g) Motor Vehicles	0.73	0.86	0.58	1.01	0.64	0.12	0.53	0.22	0.79	0.09
	(h) Computer Data Processing	17.08	1.94	0.93	18.09	14.35	1.82	0.89	15.28	2.81	2.73
	(i) Office Equipment	6.82	1.48	0.05	8.25	5.23	1.09	0.04	6.27	1.98	1.59
	(j) Lab Equipment	26.96	0.34	0.03	27.27	21.46	1.36	0.03	22.79	4.47	5.50
	Total	**521.88**	**25.41**	**2.29**	**545.00**	**294.39**	**31.58**	**2.45**	**323.52**	**221.47**	**227.48**
	Previous year	511.86	10.52	0.49	521.88	259.26	36.14	1.0	294.40	227.48	252.60
B	**Investment Property**	**3.12**	**-**	**0.42**	2.70	**0.76**	**0.62**	**0.04**	**1.34**	**1.36**	**2.36**
	Previous year	3.82	-	0.70	3.12	0.70	0.17	**0.10**	0.76	2.36	3.12
C	**Capital Work In Progress**									**-**	

	(a) Civil work in progress	10.61	0.43	10.24	0.80	-	-	-	-	0.80	10.61
	(b) Consultancy Charges	0.17	-	0.10	0.07	-	-	-	-	0.07	0.17
	(c) Machinery WIP	1.79	0.05	1.48	0.35	-	-	-	-	0.35	1.79
	Total	**12.57**	**0.48**	**11.82**	**1.23**	**-**	**-**	**-**	**-**	**1.22**	**12.57**
	Previous year	10.35	3.27	1.06	12.57	-	-	-	-	12.57	10.35
D	**Intangible assets**									-	
	(a) Computer Software	13.77	0.86	-	14.63	11.50	0.80	-	12.30	2.33	2.26
	(b) Trademarks & Patents	1.04	0.02	0.00	1.06	0.98	0.01	0.00	0.99	0.07	0.06
	Total	**14.80**	**0.88**	**0.00**	**15.68**	**12.48**	**0.81**	**0.00**	**13.29**	**2.40**	**2.32**
	Previous year	14.49	0.31	-	14.80	11.44	1.04	-0.00	12.48	2.32	3.05
E	**Right of use Assets**									-	
	(a) Plant and Machinery	40.20	-	-	40.20	17.88	7.41	-	25.29	14.91	22.32
	(b) Buildings	7.14	0.12	-	7.26	1.76	0.76	-	2.52	4.75	5.39
	(c) Land	0.00	-	-	0.00	0.00	0.00	-	0.00	0.00	0.00
	Total	**47.35**	**0.12**	**-**	**47.47**	**19.64**	**8.17**	**-**	**27.81**	**19.66**	**27.71**
	Previous year 21-22	47.08	0.27	-	47.35	11.45	8.19	-	19.64	27.71	35.63

Note:

1. Cost of Free hold Land includes -

   a) ` 1/- being the token value of 11.44 acres of land transferred by the Govt. of Kerala free of cost.

   b) ` 1/- being the token value of 7.14 acres of land transferred by the Govt. of Kerala free of cost.

   c) ` 4.86 lacs being the price of freehold land of 25 acres and 38 Guntas transferred by Karnataka Industrial Area Development Board.

   d) ` 16.83 lacs being the price of freehold land of 15 acres and 33 Guntas purchased from various parties at kanagala village.

   e) ` 567.92 lacs being the price of freehold land of 0.30 acres at Chennai.

   f) ` 0.76 Lacs being price of 20 Cents of land at Cheruvaikal Village.

   g) ` 2.16 Lacs being value of 1.06 acres of land transferred by the Govt. of Kerala.

2. As per IND AS 101, the Company has elected to adopt the carrying value measured as per previous GAAP as on 01-04-2015 (Transition date) of all assets as its Deemed cost as on Transition Date.

3. Cost of Lease hold land includes the following

   a) ₹ 130.46 lacs being the original cost of 3 acres of leasehold land and building at Balramapuram, Kerala for 99 years (Deemed Cost as on 01.04.2015 - Rs.123.74 Lacs)

   b) ₹ 92.41 lacs being the allotment value of 1005.22 sq. mtrs plot in Mumbai on lease for 60 years. (Deemed Cost as on 01.04.2015 - Rs.87.48 Lacs)

   c) ₹ 261.94 lacs being the value of 5000 Sq.Mtr. of leasehold land allotted in the New Okhla Industrial Development Authority (NOIDA), Uttar Pradesh for 90 years (Deemed Cost as on 01.04.2015 - Rs.231.51 Lacs)

   d) ₹ 262.39 Lacs being the value of 306 Cents of land at rubber park, Irapuram, Perumbavoor, Kerala State for 81 years from Rubber Park India (P) LTD (Deemed Cost as on 01.04.2015 - Rs.260.07 Lacs)

4. ₹ 99/- being the value of 430.10 acres leasehold land allotted in Chengalpettu, Chennai, on lease for a period of 99 years, from Central Leprosy Training &

   Research Institute (CLTRI) in Chengalpettu, Tamil Nadu. (Deemed Cost as on 01.04.2015 - Rs.93 /-)

   In line with the decision of the Cabinet Committee on Economic Affairs, 100 acres of land is earmarked out of the 430.10 acres in possession, for HLL Biotech

   Limited, valued @Rs. 10.12 crores (56 acres @ Rs. 16.5 Lacs per acre and 44 acres of hillock @ Rs. 2.00 Lacs per acre) was transferred from HLL to HBL by way of sub leasedeed on the consideration of Rs.1/- for a period of ninety four years but was not accounted for by HBL.

5. 3.38 Acres of land, out of 100 acres in possession, is given on lease for a period of 92 years @ ` 1/- per year to Tamil Nadu Generation and Distribution Corporation Ltd

6. The Govt of Kerala has allotted on lease 4.783 acre of Land (Re-survey no. 34/146/1, 35/120/2,35/120/3) at Konni Taluk, Iravon Village,Pathanamthitta District, Kerala towards setting up of Green Field Blood Bag Project.The land has been handed over to the company. The land is allotted on Lease Rent @ Rs. 19400/- per year for a period of 30 years.

7. Methods of depreciation adopted are as follows.

   a) Depreciation on tangible assets including Investment Property have been made in line with the requirement under schedule II of the Companies Act, 2013.

   b) Depreciation has been charged on straight line method for all assets under Plant & Machinery and written down value method for other assets(except intangible asset and leasehold asset) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act.

   c) Trade Mark/ Patents are amortised over a period of 5 years.

   d) The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 Years on pro-rata basis. License fee paid is amortized over the agreement period.

   e) Depreciation has been charged on useful life basis irrespective of the shut downs in plants which are in the nature off Continuous Process.

8. Consequent to Cabinet Approval to sub- lease the 330.10 acre land at Chengalpattu, Kanchipuram district (Tamil Nadu) leased to it in 2009, for setting up Medipark,

HLL Medipark Limited has been incorporated as a separate 100% subsidiary of HLL on 20th December 2016. The subsidiary company, HLL Medipark Ltd will have equity participation by HLL Lifecare Ltd not exceeding 90% and Tamil Nadu Industrial Development Corporation (TIDCO) not exceeding l0%. HLL Lifecare Ltd has invested ` 10.01 lakh in the new subsidiary company in March 2017 . The MediPark being set up in Chengalpattu near Chennai in Tamilnadu in an area of 330.10 acres shall comprise of state-of-art infrastructure and common facilities to support the medical technology industry.

9. Depreciation on Property plant and Equipment which are under operating lease , is provided on the basis of useful life as per companies act or as per lease agreement whichever is lower.

10. Depreciation on Property plant and Equipment which are under operating lease , is provided on the basis of useful life as per companies act or as per lease agreement whichever is lower.

11. Additions to fixed assets include original cost of the following capital expenditure incurred in the approved R&D facility.

		2022-23	2021-22
		(₹ in Crs)	(₹ in Crs)
	Lab Equipments	0.34	0.155
	office Equipments	1.48	0.014
	Electrical Installation	0.60	
		2.42	**0.17**
12	The Company implemented IND AS 116 on 1st April 2019, and applied the modifi ed retrospective method and right of use asssets are disclosed in Note 2.28		

Notes to Consolidated Financial Statements for the year ended 31 March 2022

Note 3 : Plant, Property and Equipment

b) Previous Reporting period

Rs. In Crs

	Fixed Assets	Gross block				Accumulated depreciation and impairment				Net block	
		1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Depreciation / amortisation expense for the year	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
A.	**Tangible assets**										
	(a) Land										
	Freehold	5.93	-	-	5.93	-	-	-	-	5.93	5.93
	Leasehold	7.03	-	-	7.03	0.49	0.08	-	0.57	6.46	6.54
	(b) Buildings	173.0	0.64	-0.70	174.34	58.18	8.72	-0.10	67.0	107.35	114.83
	(c) Roads	1.10	-	-	1.10	0.91	0.04	-	0.95	0.16	0.20
	(d) Plant and Equipment	197.36	4.47	0.79	201.04	104.02	16.43	0.72	119.73	81.30	93.34
	(e) Electrical Installation & Eqpt.	46.92	0.18	0.02	47.08	33.56	3.51	0.02	37.05	10.02	13.36
	(f) Furniture &Fixture	32.17	1.64	0.05	33.77	23.85	3.61	0.05	27.42	6.35	8.32
	(g) Motor Vehicles	0.73	0.00	-	0.73	0.61	0.02	-	0.64	0.09	0.12
	(h) Computer Data Processing	15.32	2.06	0.29	17.08	13.33	1.31	0.28	14.35	2.73	1.99
	(i) Office Equipment	5.74	1.11	0.03	6.82	4.54	0.71	0.03	5.23	1.59	1.20
	(j) Lab Equipment	26.56	0.41	0.01	26.96	19.77	1.69	0.01	21.46	5.50	6.79
	Total	**511.86**	**10.52**	**0.49**	**521.88**	**259.26**	**36.14**	**1.00**	**294.39**	**227.48**	**252.60**
	Previous year	503.83	9.45	1.41	511.86	219.69	40.83	1.3	**259.26**	252.60	284.13
B	**Investment Property**	**3.82**	**-**	**0.70**	3.12	**0.70**	**0.17**	**0.10**	**0.76**	**2.36**	**3.12**
	Previous year	3.82			3.82	0.58	0.12	**-**	0.70	3.12	3.24
C	**Capital Work In Progress**									**-**	
	(a) Civil work in progress	9.52	1.79	0.70	10.61	-	-	-	-	10.61	9.52
	(b) Consultancy Charges	0.17	-	-	0.17	-	-	-	-	0.17	0.17

(c) Machinery WIP	0.66	1.48	0.35	1.79	-	-	-	-	1.79	0.66
Total	**10.35**	**3.27**	**1.06**	**12.57**	**-**	**-**	**-**	**-**	**12.57**	**10.35**
Previous year	4.11	6.60	0.36	10.35	-	-	-	-	10.35	4.11
D Intangible assets									-	
(a) Computer Software	13.49	0.27	-	13.77	10.50	1.00	-0.91	12.41	1.35	3.00
(b) Trademarks & Patents	1.00	0.04	-	1.04	0.95	0.03	0.91	0.07	0.97	0.05
Total	**14.49**	**0.31**	**-**	**14.80**	**11.44**	**1.04**	**-0.00**	**12.48**	**2.32**	**3.05**
Previous year	14.19	0.30	0.00	14.49	10.33	1.11	-0.00	11.44	3.05	3.86
E Right of use Assets									-	
(a) Plant and Machinery	40.20	-	-	40.20	10.47	7.41	-	17.88	22.32	29.73
(b) Buildings	6.87	0.27	-	7.14	0.97	0.78	-	1.76	5.39	5.90
(c) Land	0.002	-	-	0.002	0.000	0.000	-	0.000	0.00	0.002
Total	**47.08**	**0.27**	**-**	**47.35**	**11.45**	**8.19**	**-**	**19.64**	**27.71**	**35.63**
Previous year 20-21	36.07	11.01		47.08	5.53	5.92	-	11.45	35.63	33.71

(a) Consolidated CWIP ageing schedule

CWIP	Amount in CWIP (31.03.2023)				(in ₹ Crs) Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Projects in progress	0.67	0.00	0.19	0.36	1.22
Projects temporarily suspended	-	-	-		-

CWIP	Amount in CWIP (31.03.2022)				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Projects in progress	3.27	8.66	0.18	0.46	12.57
Projects temporarily suspended	-	-	-		-

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given

CWIP	Amount in CWIP				(in ₹ Crs) Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Nil					-
					-

(c) Intangible Assets under development completion

(in ₹ Crs)

Intangible Assets under development completion	Amount in CWIP				Total
	Less than 1year	1-2 yrs	2-3 yrs	More than 3yrs	
Nil					
-					
-					

Note 4. Non Current Financial Assets - Investments						
Sl no	Name of the Body Corporate	Extent of Holding (%)	No. of Shares / Units	Amount in (in ₹ Crs)	No. of Shares / Units	Amount in (in ₹ Crs)
1	2	3	4		5	
			As at 31.03.2023		As at 31.03.2022	
	Unquoted -Fully paid equity Shares					
	Carried at cost					
	Investment in Equity Instruments					
	I) Subsidiaries					
	a) Equity Shares of ₹ 10 each					
	HLL Infratech Services Ltd	100.00	20,00,000	-	20,00,000	
	HLL Mother & Child Care Hospital Limited	100.00	1,00,000	-	1,00,000	
	b) Equity Shares of ₹ 100 each					
	Goa Antibiotics & Pharmaceuticals Limited	74.00	14,07,480	-	14,07,480	
	II) Joint Ventures					
	Equity Shares of ₹ 10 each					
	Life Spring Hospital Pvt.Ltd	50.00	85,79,929	3.09	85,79,929	2.94
	III) Structured entities					
	Goa State Cooperative bank *	0.00	250	0.00	250	0.00
	Kerala Enviro Infrastructures Ltd.	0.16	20,000	0.02	20,000	0.02
	Total			**3.11**		**2.96**

Notes:-

In respect of HLL Mother & Child Care Hospital Ltd the aggregate amount of Impairment in the value of investments is Rs 0.10 Crs.

*GAPL holds 250 shares of ₹ 100 each in the Goa state Co-operative bank ltd.The percentage of shares is 0.00025%

Note 5. Non Current Financial Assets - Others		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Unsecured, Considered good		
Security Deposits	1.90	1.77
Other advances	0.00	0.00
Total	**1.90**	**1.77**
Note 6. Deferred tax asset (Net)		
Particulars	**As at 31.03.2023 ₹ crs**	**As at 31.03.2022 ₹ crs**
Deferred tax asset (Net)		
a) Deffered tax liabilities	(6.94)	(10.91)
b) Deffered tax assets	78.35	80.00
Total	**71.41**	**69.09**
Particulars	**As at 31.03.2023 ₹ crs**	**As at 31.03.2022 ₹ crs**
Deferred tax (liability) / asset		
WDV of Assets (Other than ROU Assets)	(1.99)	(3.98)
ROU Assets	(4.95)	(6.93)
Tax effect of items constituting deferred tax liability	**(6.94)**	**(10.91)**
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts	56.14	53.27
Provision for Non Moving Stock & Obsolete Stock	1.19	1.34
Provision for Employee Benefits	15.86	20.73
Others	0.05	3.47
ROU Liabilities	5.11	1.19
Tax effect of items constituting deferred tax assets	**78.35**	**80.00**
Net deferred tax (liability) / asset	**71.41**	**69.09**

Note 7. Other Non - Current Assets		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Obsolete Asset	0.09	0.31
Less: Provision for Obsolete Asset	(0.09)	(0.31)
Total	**-**	**-**

Note 8. Non-Current Tax Asset (Net)		
Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Advance Income Tax (Net of Provisions)*	41.54	30.39
Total	**41.54**	**30.39**

*This includes TDS & TCS receivable which are not fully reconciled with 26AS

Note 9. Inventories		
(At lower of, cost or net realisable value)		
Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
a. Raw Materials	18.92	26.00
b.Packing Materials	13.24	8.59
c. Work-in-progress	27.32	18.01
d. Finished goods		
Manufactured Products	69.12	31.06
Stock-in-trade (Acquired For Trading)	0.13	0.11
Social Marketing Products	0.03	0.90
Outsourced Products	156.71	98.11
Goods-in transit	0.06	0.01
	226.05	130.19
e.General Stores and Consumables	4.01	10.53
f. Other materials, machinery, spare parts, building materials etc.	12.10	11.95
g. Tools revalued & certified by management	0.12	0.15
h. Others :		
Gift items	0.11	0.13
Stationery	0.55	0.53
	0.66	**0.66**
	302.42	**206.08**
Less : Provision for Obsolete Stock	4.71	5.32
Total	**297.71**	**200.76**

Note 10. Current Financial Assets - Trade receivables		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Secured, considered good*	26.10	4.92
Unsecured, considered good	1,091.42	2,920.08
Considered doubtful	206.86	195.77
	1,324.38	**3,120.77**
Less: Allowance for doubtful debts	206.86	195.77
Total	**1,117.52**	**2,925.00**
* Secured against Letter of Credit, Bank Guarantee & Customer Deposit		

Note 10. a Ageing Schedule- Trade Receivables

Particulars		**Outstanding for following periods from due date of payment**					**₹ crs**
		Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed - Trade receivables considered good	As at March 31, 2023	**807.35**	**101.16**	**57.77**	**69.71**	**81.53**	**1,117.52**
	As at March 31, 2022	1,944.07	375.29	400.35	93.18	112.11	2,925.00
(ii) Undisputed - Trade receivables which have significant increase in credit risk	As at March 31, 2023	**3.79**	**0.97**	**3.16**	**3.95**	**7.54**	**19.41**
	As at March 31, 2022	-	-	-	-	-	-
(iii) Undisputed - Trade receivables credit impaired	As at March 31, 2023	0.25	0.01	3.30		**5.61**	**9.17**
	As at March 31, 2022	5.08	0.79	0.09	(0.00)	2.93	8.89
(iv) Disputed - Trade receivables considered good	As at March 31, 2023	**-**	**-**	**-**	**-**	**137.41**	**137.41**
	As at March 31, 2022	-	0.01	-	0.50	138.88	139.39
(v) Disputed - Trade receivables which have significant increase in credit risk	As at March 31, 2023	**-**	**8.83**	**3.14**	**3.90**	**24.39**	**40.26**
	As at March 31, 2022	-	0.11	1.47	18.96	26.32	46.86

(vi) Disputed - Trade receivables credit impaired	As at March 31, 2023	**-**	**-**	**-**	**-**	**0.61**	**0.61**
	As at March 31, 2022	-	-	0.00	0.02	0.61	0.63
Grand Total	As at March 31, 2023	**811.39**	**110.97**	**67.37**	**77.56**	**257.09**	**1,324.38**
	As at March 31, 2022	1,949.15	376.21	401.91	112.65	280.85	3,120.77

Note 11.Cash and cash equivalents

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	**₹ ` crs**
(a) Balances with banks		
(i) In Current Accounts	32.03	20.32
(ii) Funds earmarked for CSR	-	-
(iii) Funds earmarked for Projects	6.12	57.82
(iv) In Cash credit Accounts	-	0.00
(v) In Term Deposit accounts with less than 3 months maturity	198.68	986.73
(vi) In EEFC accounts	6.48	2.05
(b) Others		
(i) Cash in hand	3.01	2.11
(ii) Stamps in hand	0.00	0.00
Total	**246.32**	**1,069.03**
(c) Bank balances other than (a) above		
(i) In deposit accounts	498.98	281.47
(ii) In Term deposits held for margin money for borrowings and guarantee	1.64	4.40
Total	**500.62**	**285.87**
* *Credit balances in Current accounts have been reclassified to Current Borrowings*		

Note 12. Loans

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	**₹ crs**
(a) Loans and advances to employees		
Secured, considered good	0.00	0.00
Unsecured, considered good	3.37	5.64
Considered Doubtful	0.34	0.03

	3.71	**5.67**
Less: Allowance for doubtful loans and advances	(0.34)	(0.03)
Sub Total	**3.37**	**5.64**
Total	**3.37**	**5.64**

Note: Current Financial Assets - Advances include amounts due from:

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Directors	0.02	0.00
Other officers of the Company	0.87	0.54
Total	**0.89**	**0.54**

Note 13. Current Financial Assets - Others

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Accrued Interest	16.94	10.39
(b) Receivable from Govt of India	6.41	6.41
(c)Security Deposit	7.15	4.46
(d) Amount receivable from others	-	0.45
Total	**30.50**	**21.71**

Note 14. Other current assets

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Advances Other than Capital Advances		
Advance to Creditors , Deposit to various Govt agencies, others etc		
Considered good	182.69	941.66
Considered doubtful	20.63	15.35
Sub Total	203.32	957.01
Less:-Provision for Advances	(20.63)	(15.35)
Sub Total	182.69	941.66
Others		
(a) Export Incentives/Duty Draw back	2.58	1.92
(b) Stock of DEPB Licence FMI & MEIS	0.50	1.75
(c) Prepaid expenses	2.83	2.54
(d) Balance with customers	0.00	0.00
(e) Saheli subsidy receivable	-	-
Total	**188.60**	**947.87**

Note 15. Share capital		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Authorised Share Capital		
Equity shares of ₹ 10/-each - 30,00,00,000 Nos.	300.00	300.00
(b) Issued Share Capital		
Equity shares of ` 10/- each:		
1,55,35000 Nos. (As on 31.03.2021)	15.54	15.54
1,55,35000 Nos. (As on 31.03.2022)		
(c) Subscribed and fully paid up Share Capital		
Equity shares of ` 10/- each:		
1,55,35000 Nos. (As on 31.03.2021)	15.54	15.54
1,55,35000 Nos. (As on 31.03.2022)		
Total	**15.54**	**15.54**

Reconciliation of Share Capital				
Description	**As at 31.03.2023**		**As at 31.03.2022**	
	No of Shares	**₹ crs**	**No of Shares**	**₹ crs**
Equity Share Capital				
Authorized				
Opening Balance (Face value of ₹ 10/- each)	30,00,00,000	300.00	30,00,00,000	300.00
Additions	-	-		
Closing Balance (Face value of ₹ 10/- each)	30,00,00,000	300.00	30,00,00,000	300.00
Issued				
Opening Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Additions/(Reductions)	-	-		
Closing Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Subscribed & Paid up				
Opening Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54
Additions/(Reductions)	-	-		
Closing Balance (Face value of ₹ 10/- each)	1,55,35,000	15.54	1,55,35,000	15.54

Details of shares held by each shareholder holding more than 5% shares:				
Name of shareholder	As at 31.03.2023		As at 31.03.2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
President of India	1,55,35,000	100%	1,55,35,000	100%
Details of shareholdings of Promoters				
Promoter Name		**No of Shares**	**% of total Shares**	**% Change during the year**
President of India		1,55,35,000	100%	-

Note 16. Other Equity		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Corporate Social Responsibility (CSR) Reserve		
Opening balance	-	-
Add: Additions / transfers during the year	0.55	0.58
Less: Expenditure during the year	0.05	0.02
Less: CSR to be Deposited in Fund	0.50	0.56
Closing balance	**0.00**	**(0.00)**
(b) Dividend Equalisation Reserve	**1.30**	**1.30**
(c) General reserve		
Opening balance	256.53	256.41
Add: Reconciliation of Interest received on FD	-	0.12
Closing balance	**256.53**	**256.53**
(d) Retained Earnings		
Opening balance	504.88	118.10
Add: Profit / (Loss) for the year	51.38	406.02
Changes in Accounting Policy or Prior Period Errors	-	-
Other Adjustment	-	0.04
Transferred from reserves	0.55	0.58
Less: Dividend paid	122.47	19.29
Transferred to		
Reserve for CSR	0.55	0.58
Closing balance	**433.79**	**504.88**

(e) Other Comprehensive Income		
Opening Balance	(20.55)	(16.06)
Add: Other Comprehensive Income for the year	(9.42)	(4.49)
Closing balance	**(29.97)**	**(20.55)**
Total	**661.65**	**742.15**

Note 16. Other Equity

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Dividend Equalisation Reserve	1.30	1.30
Corporate social responsibility reserve	0.00	(0.00)
Other Comprehensive Income	(29.97)	(20.55)
General Reserve	256.53	256.53
Retained Earnings	433.79	504.88
	661.65	**742.15**

Note 17. Non-Current Financial Liabilities - Borrowings

(Carried at Amortized Cost)

Particulars	As at 31.03.2023	As at 31.03.2022
	₹ crs	₹ crs
Secured Borrowings		
Term loans:		
Term Loan from EDC limited	1.20	1.32
Total	**1.20**	**1.32**

(i) Details of terms of repayment for the long term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	Details of security*	AS AT 31.03.2023		AS AT 31.03.2022	
		Secured	Unsecured	Secured	Unsecured
		₹ crs	₹ crs	₹ crs	₹ crs
Term loans from NBFC:					
From EDC Limited	Secured by an equitable mortgage of leasehold rights of the land, building and other structures on the land. Hypothecation of plant & machinery, laboratory equipments, electrical installations, furniture & fixtures, vehicles and other movable assets. (Goa Antibiotics & Pharmaceuticals Limited)	1.48		1.76	-
Total - Term loans from NBFC		**1.48**		**1.76**	-
Less: Payable within next 12 months treated as Current Liabilities		0.28		0.44	-
Payable after 12 months		**1.20**		**1.32**	-

Note 18. Provisions (non - current)

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Provision for performance related pay	-	28.68
Provision for gratuity	1.83	-
Provision for earned leave	0.68	-
Total	**2.51**	**28.68**

Note 19. Other Non-current Liabilities

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
Security deposits	6.86	7.17
Salary Arrears Payable	3.07	3.25
Final settlement	0.01	0.02
Deferred Government Grant	10.00	13.77
Total	**19.94**	**24.21**

Note 20. Current Financial Liabilities - Borrowings (stated at amortized cost)			
Particulars		**As at 31.03.2023**	**As at 31.03.2022**
		₹ crs	**₹ crs**
(a) Loans repayable on demand (Cash Credit) - Secured			
From State Bank of India		190.10	86.32
From Canara Bank		39.66	0.00
From HDFC Bank		25.32	12.21
	Sub Total	**255.08**	**98.53**
(b) Short Term Loans from Banks - Secured Overdraft			
From Canara Bank		75.28	0.02
From HDFC Bank		0.00	0.00
From SBI		68.53	78.34
Sub Total		**143.81**	**78.36**
(c) Current maturities of long term debt			
Term loans			
Term loan from EDC		0.28	0.44
	Sub Total	**0.28**	**0.44**
Grand Total		**399.17**	**177.33**
Notes:			

(i) Details of security for the secured short-term borrowings:			
Particulars	**Nature of security**	**As at 31.03.2023**	**As at 31.03.2022**
		₹ crs	**₹ crs**
Loans repayable on demand from banks			
SBI	Parri passu charge over current assets of the company. Equitable Mortgage as collateral over the land with building at Poojappura, Trivandrum towards State Bank of India. The limits sanctioned are SBI (Rs.220 cr), Canara bank (Rs.50 cr), HDFC Bank (Rs.42 cr)	181.06	77.27
Canara Bank		39.66	-
HDFC Bank		25.32	12.21
SBI	Secured by Lease land of Goa Govt- Goa Antibiotics & Pharmacauticals Ltd	9.04	9.05
TOTAL		**255.08**	**98.53**

Short Term Loans from Banks - Secured overdraft			
From Canara Bank	Secured by Project Deposits	75.28	0.02
From HDFC Bank		-	
From SBI		68.53	78.34
TOTAL		**143.81**	**78.36**
Current maturities of long-term debt			
Payable within next 12 months treated as Current Liabilities	Details of Security in Note 17 Non current financial liabilities - Borrowings	**0.28**	**0.44**
Grand Total		**399.17**	**177.33**

Note 21. Current Financial Liabilities - Trade payables

Particulars	As at 31.03.2023 ₹ crs	As at 31.03.2022 ₹ crs
Trade payables:		
for materials, services and expenses		
a. Micro Small and Medium Enterprises	87.64	31.06
b. Others	1,012.87	1,214.31
Total	**1,100.51**	**1,245.37**

Trade Payables ageing schedule

Particulars		Outstanding for following period from due date of payment				₹ crs TOTAL
		Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 yrs	
(i) MSME	As on 31-03-23	**79.74**	**5.33**	**0.07**	**0.23**	**85.37**
	As on 31-03-22	30.50	0.15	0.09	0.32	31.06
(ii) Others	As on 31-03-23	**836.03**	**47.14**	**27.83**	**42.78**	**953.78**
	As on 31-03-22	826.61	129.02	70.56	130.58	1,156.78
(iii) Disputed dues MSME	As on 31-03-23	**-**	**2.27**	**-**	**-**	**2.27**
	As on 31-03-22	-	-	-	-	**-**
(iv) Disputed dues Others	As on 31-03-23	**0.03**	**0.26**	**0.25**	**58.55**	**59.09**
	As on 31-03-22	-	-	-	57.53	57.53
GRAND TOTAL	As on 31-03-23	**915.79**	**55.01**	**28.15**	**101.56**	**1,100.51**
	As on 31-03-22	857.11	129.17	70.66	188.43	1,245.37

Note 22. Current Financial Liabilities - Others		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
EMD & Security Deposits	62.66	51.45
Interest Accrued but not due	0.04	0.05
Other Liabilities	109.82	399.28
Total	**172.52**	**450.78**

Note 23. Provisions (current)		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Provision for employee benefits:		
(i) Provision for bonus and incentive	2.67	3.02
(ii) Provision for Performance related pay	35.97	13.37
(iii) Provision for gratuity	29.79	27.18
(iv) Provision for group EL Premium	6.76	8.54
(v) Provision for Pay Revision	0.11	0.18
(b) Provision - Others:		
(i) Provision for Expenses payable	40.83	57.76
(ii) Provision for CSR liability	0.67	0.70
Total	**116.80**	**110.75**

Note 24. Other Current Liabilities		
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
	₹ crs	**₹ crs**
(a) Advance from Customers/Clients	242.75	2,987.53
(b) Income Received in Advance	1.21	0.72
(c) Payable to Projects	5.32	29.97
(d) Deferred Government grant	1.18	0.31
Total	**250.46**	**3,018.53**

Note 25. Revenue from operations			
S.No	**Particulars**	**Year Ended 31.03.2023**	**Year Ended 31.03.2022**
		₹ crs	**₹ crs**
(a)	Sale of products	2,920.37	33,473.27
(b)	Sale of services	1,015.43	2,502.04
(c)	Income from Contract	158.97	81.23
(d)	Other operating revenues	20.83	27.07
	Total	**4,115.60**	**36,083.61**

Note	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2023
		₹ crs	₹ crs
(i)	Sale of products comprises		
	Sale of Contraceptive Products	250.69	277.15
	Sale of Healthcare Products	106.53	79.79
	Sale of Pharma Products	1,158.10	813.91
	Emergency supplies for COVID-19	1,405.05	32,302.42
	Sub Total	**2,920.37**	**33,473.27**
	Sale of services	935.48	869.78
	Covid services	79.95	1,632.26
	Income from Contract	158.97	81.23
	Other operating revenues	20.83	27.07
	Grand Total	**4,115.60**	**36,083.61**
	Other operating revenues comprise:		
	Promotional Subsidy on Saheli and Novex sales	-	3.74
	Duty Rebate / Duty drawback / Other export incentives	14.66	4.52
	Sale of scrap, waste condoms and other misc.items	6.09	5.11
	Sale of tender form	0.08	0.20
	Reimbursement of Expenses (for COVID-19 supplies)	-	13.50
	Total	**20.83**	**27.07**

Note 26. Other income

Particulars		Year Ended 31.03.2023	Year Ended 31.03.2022
		₹ crs	₹ crs
(a)	Interest income (Refer Note (i) below)	27.65	3.57
(b)	Other non-operating income (Refer Note (ii) below)	43.19	12.81
	Total	**70.84**	**16.38**

Note	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
		₹ crs	₹ crs
(i)	**Interest income comprises:**		
	a) On Others	27.42	3.35
	b) On Deposits	0.23	0.22
	Total - Interest income	**27.65**	**3.57**
(ii)	**Other non-operating income comprises:**		
	Rental income from Staff quarters	0.03	0.03
	Profit on sale of fixed assets	0.11	0.07
	Insurance claims	0.23	0.03

	Excess provision / credits written back	24.75	5.12
	Lease rent	0.82	1.48
	Dividend Income (from subsidiary-HLL Infra Tech Services Ltd)	-	-
	Exchange Fluctuation	6.15	0.44
	Other Misc.Income	11.10	5.64
	Total - Other non-operating income	**43.19**	**12.81**

Note 27. Cost of materials consumed

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	₹ crs	₹ crs
Opening stock	34.59	38.29
Add: Purchases	291.13	256.42
	325.72	**294.71**
Less: Closing stock	32.17	34.59
Cost of material consumed	**293.55**	**260.12**
Material consumed comprises:		
Raw Materials	157.83	143.09
Chemicals	43.66	44.85
Packing Materials	79.06	63.36
Cost of quality and Sub contract Expense	0.10	8.82
Consumption of Scrap	12.77	0.00
Cost of Goods sold Materials	0.13	-
Total	**293.55**	**260.12**

Note 28. Purchases of stock-in-trade

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
	₹ crs	₹ crs
Trading Products	2,357.38	32,792.01
Social Marketing Branded Products	3.83	6.38
Total	**2,361.21**	**32,798.39**

Note 29. Changes in inventories of finished goods, and work-in-progress and stock - in - trade		
Particulars	**Year Ended 31.03.2023**	**Year Ended 31.03.2022**
	₹ crs	**₹ crs**
Inventories at the end of the year:		
Finished goods	225.92	130.08
Work-in-progress	27.32	18.01
Stock in Trade	0.13	0.11
	253.37	**148.20**
Inventories at the beginning of the year:		
Finished goods	130.08	259.06
Work-in-progress	18.02	18.51
Stock in Trade	0.11	0.10
	148.21	**277.67**
Net (increase) / decrease	**(105.16)**	**129.47**
Less: Write down of inventory to NRV shown as exceptional item	-	-
TOTAL	**(105.16)**	**129.47**

Note 30. Employee benefits expense		
Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
(a) Salaries and incentives	237.21	249.56
(b) Contributions to -		
Provident fund	21.93	20.27
New pension scheme	2.55	2.35
Gratuity & Earned Leave	10.59	13.33
Earned Leave Fund	1.65	0.05
Contribution to ESI	1.00	1.07
(c) Staff welfare expenses	21.46	18.23
Total	**296.39**	**304.86**

Note 31. Finance costs		
Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
(a) Interest expense on:		
(i) Cash credit	17.71	18.99
(ii) Term Loan	0.18	2.59
(b) Other borrowing costs	0.24	1.79
(c)Interest on Right of Use Assets(ROU)	1.95	2.59
(d) Interest on Lease Liabilities	0.01	0.00
Total	**20.09**	**25.96**

Note 32. Other expenses		
Particulars	**Year ended 31.03.2023**	**Year ended 31.03.2022**
	₹ crs	**₹ crs**
Advertisement & Publicity and Sales Promotion Expenses	35.22	31.44
HCS Direct expenses	351.38	364.92
Power & fuel charges	48.93	43.33
Consumption of stores and spares	0.14	0.14
Freight & Other Selling Expenses	30.85	72.30
Travelling & Conveyance	13.74	12.23
Other Production expenses	18.73	16.14
Wages to Contract Labourers	64.83	55.04
Consultancy & Service Charges	85.63	827.50
Administrative charges	0.57	1.15
Miscellaneous Expenses	19.26	23.02
Provision for bad & doubtful debts/Advances	17.59	177.97
Repairs & Maintenance Machinery	5.93	6.61
Postage & Telegram, Telephone	4.14	4.79
Research & Development Expenses	0.00	0.26
Corporate R&D Centre Expenses	5.56	5.02
Rent	13.77	8.52

Printing & Stationery	4.23	3.48
Repairs & maintenance of other assets	5.07	4.99
Water charges	2.24	1.92
Insurance charges	3.14	2.99
Bank Charges	2.10	2.32
Staff recruitment expenses	0.11	0.13
Rates & Taxes	1.96	2.23
Provision for obsolete stores written off	0.17	4.18
Obsolete stores written off and asset write off/provision	0.35	0.88
Training program expenses	0.34	0.22
Repairs & maintenance of buildings	2.25	2.00
Bad debt & advances written off	28.49	2.25
Payments to auditors (Refer Note (i) below)	0.29	0.26
Cost audit fees	0.05	0.05
Loss on sale of Fixed Assets	0.07	0.07
Corporate Social Responsibility expenses	6.03	2.22
Royalty paid	0.03	0.01
Other Expenses	0.51	0.00
Total	**773.70**	**1,680.58**
Note i.Payment to auditors		
Particulars	**Year Ended 31.03.2023**	**Year Ended 31.03.2022**
	₹ crs	**₹ crs**
(i) Payments to the auditors comprises		
Audit fees	0.21	0.20
Tax Audit fees	0.03	0.03
Audit expenses	0.05	0.03
Total	**0.29**	**0.26**

RATIOS			
Particulars	Year ended 31.03.2023	Year ended 31.03.2022	Variance %
(a) Current Ratio	1.17	1.09	7.22%
(Current Assets / Current Liabilities)			
Current Liabilities:-Current Liabilites - Lease obligation-current maturities of long term borrowings			
(b) Debt Equity Ratio	0.62	0.27	127%
(Debt/Equity)			
The high profits and low working capital utilisation in 2021-22 compared to low profits and high working capital utilisation resulted in variation.			
(c) Debt Service Coverage Ratio	7.38	24.26	-70%
(Net Operating Income / Debt Service)			
Net operating Income was high and borrowing was less during 2021-22 in comparison to high borrowing and low Net operating income during the current year resulting in variation			
(d) Return on Equity Ratio	0.07	0.53	-86%
(PAT/(Total equity))			
The high profits in 21-22 due to Covid operations led the variation in the ratio in comparison with current year profits and networth			
(e) Inventory Turnover Ratio	10.23	123.09	-92%
(Cost of Goods Sold/Average Inventory)			
The high turnover in Covid operations led to high cost of goods sold leading to high inventory turnover ratio in comparison with normal operations during the current year			
(f) Trade receivables Turnover Ratio	2.04	14.14	-86%
(Revenue from operations/Average Trade Receivables)			
The high turnover due to Covid Operations resulted in high ratio in comparison with normal operations during the current year			
(g) Trade Payables Turnover Ratio	2.17	20.58	-89%
(Cost of good sold/Average Trade Payables)			
The high turnover due to Covid Operations resulted in high ratio in comparison with normal operations during the current year			
(h) Working capital Turnover ratio	12.55	82.65	-85%

Revenue from operations/ Working Capital			
Revenue from operations was high due to covid operations and thus the working capital turnover ratio was high during previous year			
(i) Net Profit Ratio	**1.22%**	**1.12%**	**9%**
(PAT/Net Sales)			
(j) Return on Capital Employed	**0.16**	**0.77**	**-80%**
(EBIT/(Capital Employed)			
EBIT was high due to Covid Operations during 21-22 resulting in higher ratio in comparison to normal operations of HLL.			

Note 33: Financial Instruments (Refer Note:2.43)

A. Capital Management

The Group manages its capital to ensure that entities will be able to continue as going concern, while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The capital structure of the Group consists of net debt (borrowings as detailed in notes17 and 20) and total equity. The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio.

₹ in cr

Particulars	As at 31.03.2023	As at 31.03.2022
Borrowings	400.37	178.65
Equity Capital	15.54	15.54
Reserves & Surplus	661.65	742.15
Equity	677.19	757.69
Debt/ Equity	0.59:1	0.24:1

B. Categories of Financial Instruments

₹ in cr

Particulars	As at 31.03.2023	As at 31.03.2022
Financial Assets		
a. Measured at Amortised Cost		
i) Trade Receivables	1117.52	2925.00
ii) Cash and cash equivalents	746.94	1354.90
iii) Loans &Others	33.87	27.35
b. Mandatorily Measured at Fair value through Profit or Loss		
Derivative Asset		-

Financial Liabilities		
a. Measured at Amortised Cost	-	-
Financial Liabilities		
i) Borrowings	400.37	178.65
ii) Trade payables	1100.51	1245.37
iii) Other financial liabilities	172.52	450.78
iv) Right to use Liability	20.33	28.42
b. Mandatorily Measured at Fair value through Profit or Loss		
Derivative Liability	-	-

C. Financial risk management

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

D. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

E. Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group actively manages its currency rate exposures through a centralized treasury division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are given in Note

F. Carrying value of Foreign Exchange Assets & Liabilities

As on March 31, 2023 (all amounts are in equivalent ₹in Cr):

	Liabilities			Assets			Net overall exposure on the currency -net assets / (net liabilities)
Currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	
USD	1.81		1.81	45.81		45.81	44.00
EUR	0.13		0.13	0.003		0.003	(0.13)
CHF	0.04		0.04				(0.04)
AED	-		-				-
GBP	0.01		0.01				(0.01)
Total	**1.99**		**1.99**	**45.82**		**45.82**	**43.83**

As on March 31, 2022 (all amounts are in equivalent ₹ in Cr):

	Liabilities			Assets			Net overall exposure on the currency -net assets / net liabilities)
Currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	
USD	15.19		15.19	12.83		12.83	(2.36)
EUR	0.12		0.12	0.06		0.06	(0.06)
AED	0.04		0.04	-		-	(0.04)
CHF	0.13		0.13	-		-	(0.13)
GBP	0.00		0.00	-		-	(0.00)
Total	**15.48**		**15.48**	**12.89**		**12.69**	**(2.59)**

* Since in the Audited Statements of GAPL,the carrying value of Foreign Exchange Assets & Liabilities is not disclosed, the above figures pertain to HLL Lifecare Ltd & HITES.

G. Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the cost of imports and cost of borrowings and consequently may increase the cost of financing the capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans, where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the Company's sensitivity movement in the foreign currencies.

	USD impact	₹ in cr
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	0.87	(0.06)
	EURO Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0025)	(0.0012)
	GBP Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0003)	-
	AED Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	-	(0.0026)
	CHF Impact	
Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Profit or Loss	(0.0009)	(0.0008)

* Since in the Audited Statements of GAPL &HITES, Foreign Currency sensitivity analysis is not disclosed, the above figures pertain to HLL Lifecare Ltd.

H. Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

I. Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both rupee and foreign currency loans at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides the possible impact in the profits for a change of 0.25% in interest rate, other factor remaining constant.

₹in Cr

Borrowings	**Effect on Profit before Tax**	
	2022-23	**2021-22**
INR	0.68	0.79

* Since in the Audited Statements of GAPL & HITES Interest rate sensitivity analysis is not disclosed, the above figures pertain to HLL Lifecare Ltd.

J. Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. The Group's trade and other receivables consists of a large number of customers, across geographies, hence the Group is not exposed to concentration risk. The Group makes an allowance for doubtful debts using expected credit loss model and on a case to case basis.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

K. Fair value Measurement

The management assesses that the fair value of Trade receivables, Cash and Cash equivalents, Bank Balances, Security deposits receivable & paid, Loans and advances to employees, other non-derivativecurrentfinancialassets, Trade payables, other current financial liabilities approximate their carrying value.

L. Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

M. Liquidity Table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

₹ in cr

Particulars	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount/ Contractual cash flow
March 31,2023				
Borrowings	400.37			400.37
Trade payables	1100.51			1100.51
Lease Obligations	9.81	11.40	1.94	23.15
Other financial liabilities	172.52			172.52
March 31,2022				
Borrowings	178.65	-	-	178.65
Trade payables	1245.37	-	-	1245.37
Lease Obligations	10.18	20.86	2.29	33.33
Other financial liabilities	450.78	-	-	450.78

Note 34: Employee Benefit Expenses (Refer Note 2.44)

Disclosures required under Ind AS 19 "Employee Benefits"

Defined Contribution Plans

During the year the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

			in crs		in crs
		Gratuity (Funded)		Compensated absences (Funded)	
(i)	**Actuarial Assumptions**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
	Discount Rate (per annum)	0.07	0.07	0.07	0.07
	Expected rate of return on plan assets (per annum)	0.07	0.06	0.07	0.07
	Compensation escalation Rate (per annum)	0.07	0.07	0.07	0.07
	Mortality Rate	Indian Lives Mortality (1994-96) Ultimate Table			
(ii)	**Reconciliation of present value of obligations**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
	Present value of obligation at the beginning of the year	100.08	93.45	29.87	25.03
	Current service cost	4.91	4.91	12.05	11.72
	Interest cost	6.42	6.18	1.94	1.64
	Actuarial (gain)/loss on obligations	8.56	7.33	(7.76)	5.29
	Benefits paid/Settlement	(19.57)	(11.79)	(5.69)	3.23
	Present value of obligation at the end of the year	100.40	100.08	30.40	29.87
(iii)	**Reconciliation of fair value of plan assets**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
	Fair value of plan assets at the beginning of the year	71.53	66.00	22.70	16.17
	Expected return on plan assets	4.90	4.68	1.67	1.31
	Contributions by employer	14.91	11.46	7.01	8.45
	Transfer In/Acquisitions	0.00	0.00	0.00	0.00
	Benefits paid/Settlement	(19.57)	(10.79)	(5.69)	(3.23)
	Remeasurements- Return on Plan assets over expected return	(0.35)	0.18	(0.16)	(0.01)
	Fair value of plan assets at the end of the year	71.43	71.53	25.53	22.70

(iv)	**Description of plan assets managed assets**	71.43	71.53	25.53	22.70
(v)	**Major category of plan assets as % of total plan assets**				
	Equities	0%	0%	0%	0%
	Bonds	0%	0%	0%	0%
	Gilts	0%	0%	0%	0%
	Own Investment/ Properties	0%	0%	0%	0%
	Others- Insurer Managed Funds (LIC of India)*	100%	100%	100%	100%
	* In the absence of detailed information regarding plan assets which is funded by Insurance Company, the composition of each major category of plan assets, the percentage on amount of each category to the fair value of plan assets has not been disclosed.				
(vi)	**Net (Asset)/Liability recognised in the balance sheet as at the end of the year**				
	Present value of obligation at the end of the year	100.40	100.08	30.40	29.87
	Fair value of plan assets at the end of the year	71.43	71.53	25.53	22.70
	Net present value of funded obligation recognised as (asset) / liability in the balance sheet	(28.98)	(28.55)	(4.87)	(7.17)
(vii)	**Expenses recognised in the statement of profit and loss**				
	Current service cost	4.91	4.94	12.05	11.72
	Interest cost	6.42	5.85	1.94	1.56
	Return on plan assets	(4.90)	(4.41)	(1.67)	(1.24)
	Actuarial (gain)/loss recognised in the period	0.00	0.00	(7.60)	(5.12)
	Total expenses recognised in the statement of profit and loss for the year	6.43	6.38	4.72	6.91
(viii)	**Net Actuarial losses /(gains) recognised in Other Comprehensive Income**	8.91	7.87	0.00	(0.06)
	Actual return of plan assets	0.35	4.86	0.16	1.03
(ix)	**Non current and current value of obligation**				
	Non-current	24.91	27.58	0.76	7.38

	Current	6.32	6.70	4.12	3.90
	Total value of obligation	31.24	34.28	4.87	11.28
		Gratuity (Funded)		Compensated absences (Funded)	
			₹in crs		₹in crs
(x)	**Amount recognised in current year and previous four years**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
	Gratuity (Funded)				
	Present value of defined benefit obligations	100.40	100.08	30.40	29.87
	Fair value of plan assets	71.43	71.53	25.53	22.70
	Funded status - (asset)/liability	(28.98)	(28.55)	(4.87)	(7.17)
	Actuarial (gain)/loss on plan obligations	8.56	7.33	(7.76)	(5.29)
	Actuarial (gain)/loss on plan assets	(0.35)	0.18	(0.16)	(0.01)

(xi)	**A quantitative sensitivity analysis for significant assumption (impact on defined benefit obligation) is as below:**		
	A. Gratuity (Funded)-		
		Year ended 31.03.2023	
		1% Increase	1% Decrease
	Discount Rate	96.04	105.27
	Salary increase rate	103.42	97.32
	Employee turnover	100.64	100.15
	B. Compensated absences (Funded)-		
		Year ended 31.03.2023	
		1% Increase	1% Decrease
	Discount Rate	28.29	32.81
	Salary increase rate	32.67	28.38
	Employee turnover	30.39	30.42
	In the above analysis the change in the factor is made with other factors remaining intact.		
	Undiscounted Cash flow over the years is the aggregate cash flow without discounting but keeping other factors intact and is the total payout for the current complement of staff.		

(xii)	**Maturity profile - future expected payments**				
	Time period (in years)	Year ended 31.03.2023			
		Gratuity (Funded)		Compensated absences (Funded)	
	Less than or equal to 1		18.70		5.53
	2 - 5		54.76		15.46
	6 -10		32.55		10.97
	Above 10		51.44		30.42
(xiii)	Note on key actuarial risks				

(a) Actuarial Risk- It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons. Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(b) Investment Risk - For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(c) Liquidity Risk - This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time. Employees with high salaries and long durations of service or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

(d) Market Risk - Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(e) Legislative Risk- Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point and the same will have to be recognized immediately in the year when any such amendment is effective.

Notes:

1 The above disclosures are based on information certified by the independent actuary and relied upon by the Group.

2 The plan assets of the Group are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Group with respect to its Gratuity and Compensated Absences Plan. Information on categories of plan assets is not available with the Group.

NOTE: 35 CONTINGENT LIABILITIES & CONTINGENT ASSETS (REF:2.45)				
Contingent liabilities and commitments (to the extent not provided for)			**2022-23**	**2021-22**
			Rs. In Cr	**Rs. in Cr.**
(I) Contingent Liabilities				
	(i)	Income Tax		
		(a) Income Tax demands against the Company not acknowledged as debt and not provided for in respect of which the Company is in appeal and exclusive of the similar matters in respect of pending assessments and interest.	**5.05**	**5.30**
		(b) Sales Tax & Service Tax Claims against the Co. not acknowledged as debt	**35.52**	**36.10**
	(ii)	Claims against the Company not acknowledged as debts	**326.51**	**349.70**
	(iii)	Bank Guarantees to Govt. Departments. (Net of Margin Money)	**97.35**	**82.88**
	(iv)	Bank Guarantees to others(net of margin money)	**1.70**	**1.59**
	(v)	Corporate Guarantees issued and outstanding as on date	**88.92**	**106.45**
	(vi)	Letter of Credits (net of Margin Money)	**0.28**	**2.42**
	(vii)	Others	**1.29**	**0.57**
TOTAL			**556.62**	**585.01**
(II) Commitments			**-**	**-**
	(i)	Pending rebate claim for which appeals filed	**-**	**0.01**
TOTAL			**-**	**0.01**
(III) Contingent Assets			**-**	**-**
Arbitration award in favour of the company in the legal case with state Innovations in Family Planning Services Agency (SIFPSA)			**26.84**	**26.84**
Notes				
"Contingent liability has been calculated as Principal plus Interest @ 12% p.a. The claims made by the claimants have ranged from 8-24%. However, keeping in view the statutory interest levies like Income Tax and principle of Natural Justice, the rate of interest for all claims have been taken @ 12% p.a. in cases where the interest is above 12% p.a. Interest on contingent assets have not been considered				
Claims not acknowledged as debts include Rs. 8.71 Crores against which a bank guarantee of Rs. 7.31 Cr is submitted to Court. Hence Rs. 7.31 Cr is excluded from Bank Guarantee to avoid duplication.				
Claims not acknowledged as debts does not include any opportunity cost/loss claimed by the petitioner				

HLL Lifecare Limited							
Remuneration of Key Managerial Personnel							
							Rs in cr
Key Managerial Personnel	**Short Term employee Benefit**	**Post employment Benefit ***	**Other long term employee benefit**	**Terminal Benefits**	**Total Remuneration**	**Sitting Fees**	**Outstanding Loans (Gross) /Advance receivables**
Shri. K.Beji George	0.56	-	-	-	0.56		-
Shri.E.A.Subramanian (upto Apr 2022)	0.04	-	-	0.32	0.36	-	-
Shri.Rajasekar T	0.54	-	-	0.42	0.96	-	-
Smt.Dr.Geeta Sharma	0.67	-	-	-	0.67	-	-
Smt.Dr.Anitha Thampi (w.e.f Jan 2023)	0.11	-	-	-	0.11	-	0.001
Shri.Santhosh Cherian C (upto Dec 2022)	0.27	-	-	-	0.27	-	-
Shri.Remesh.P (w.e.f Jan 2023)	0.12	-	-	-	0.12	-	0.001
Shri.Jai Krishnan A R	0.28	-	-	-	0.28	-	0.001
Dr. P.Vijayachander Reddy	-	-	-	-	-	0.03	-
Shri.Adarsh Pal Vig	-	-	-	-	-	0.03	-
Smt.Neeta Boochra	-	-	-	-	-	0.03	-
Total	**2.57**	-	-	**0.74**	**3.32**	**0.10**	**0.004**
Additional disclosure							

Key Managerial Personnel	Salaries & Allowance	Contribution to PF	Contribution to CPS / Pension	Other benefits & Perks	Terminal Benefits	Rs in cr Total
Shri. K.Beji George	0.54	-	-	0.01	-	**0.56**
Shri.E.A.Subramanian (upto Apr 2022)	0.03	0.00	0.00	0.00	0.32	**0.36**
Shri.Rajasekar T	0.46	0.04	0.01	0.03	0.42	**0.96**
Dr.Geeta Sharma	0.61	0.04	0.01	0.00	-	**0.67**
Dr.Anitha Thampi (w.e.f Jan 2023)	0.09	0.01	0.00	0.01	-	**0.11**
Shri.Santhosh Cherian C (upto Dec 2022)	0.25	0.02	0.00	0.00	-	**0.27**
Shri.Remesh.P (w.e.f Jan 2023)	0.11	0.01	0.00	-	-	**0.12**
Shri.Jai Krishnan A R	0.26	0.02	0.01	-	-	**0.28**

* Post-employment benefits are actuarially determined/paid on overall basis, and not ascertainable on individual basis

Note : 36 Related Party Disclosure (Refer Note. 2.46)
Disclosure in respect of related party pursuant to Ind AS 24

Description of Relation	Names
Subsidiaries	Goa Antibiotics & Pharmaceuticals Limited (GAPL)
	HLL InfraTech Services Limited (HITES)
	HLL Mother & Child Care Hospitals Limited(HMCCHL)
Joint Venture	Life Spring Hospital Private Ltd (LSH)
Associates	Hindustan Latex Family Planning Promotion Trust (HLFPPT)
	HLL Management Academy (HMA)
	HLL Pratheeksha Charitable Society
Key Management Personnel (KMP)	A. Chairman & Managing Directors,Whole Time Directors, Company Secretary & CFO
	Shri. K.Beji George ,IRTS Chairman & Managing Director (CMD)
	Shri. T. Rajasekar- Director (Marketing) (ceased to be Director (Marketing) on 31/03/2023)
	Dr. Geeta Sharma- Director (Finance)
	Shri E A Subramanian, Director (Technical & Operations) (Ceased to be Director (Technical & Operations) on 30/04/2022)
	Dr. Anitha Thampi- Director (Technical and Operations) (appointed w.e.f 03/01/2023)
	Shri. Santhosh Cherian.C - SVP(F) i/c & CFO (ceased to be SVP(F) i/c & CFO on 30/12/2022)
	Shri Remesh P - VP Finance & CFO (appointed w.e.f 07/01/ 2023)
	Shri. Jaikrishnan A.R - Company Secretary
	B. Independent Directors
	Dr. P Vijaychander Reddy (ceased to be Director on 27/01/2023)
	Prof.(Dr.) Adarsh Pal Vig
	Smt.Neeta Boochra
	C. Government Nominee Directors
	Shri.Ashish Srivastava IAS (ceased to be Director on 18/10/2022)
	Shri Jaideep Kumar Mishra ICAS (appointed as Director with effect from 18/10/2022
	Smt.Roli Singh IAS

Note 37: Disclosure Under Ind AS-108 SEGMENT REPORTING (Refer note 2.47)

Rs in cr

Particulars	2022-23								2021-22							
Segment Revenue	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**Others**	**Unalloca-ble**	**Total**	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**Others**	**Unalloca-ble**	**Total**
Revenue from operations	292.93	492.76	1,026.87	593.03	1,485.01	218.48	6.52	4,115.60	286.87	486.58	705.14	465.15	33,948.11	189.19	2.57	36,083.61
Other Income							70.84	70.84							16.38	16.38
Total	**292.93**	**492.76**	**1,026.87**	**593.03**	**1,485.01**	**218.48**	**77.36**	**4,186.44**	**286.87**	**486.58**	**705.14**	**465.15**	**33,948.11**	**189.19**	**18.95**	**36,099.99**
Profit before Tax	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**
Profit before Interest & Tax	(96.67)	8.26	81.36	56.03	49.38	(18.32)	(44.02)	36.02	(99.21)	25.95	13.28	31.66	835.27	(25.63)	(214.77)	566.56
Less:-Interest	4.01	4.61	6.23	3.57	-	1.72	(0.05)	20.09	6.92	4.58	4.12	5.46		1.51	3.35	25.95
Add:-Other income			-				70.84	70.84			-				16.38	16.38
Profit before tax	**100.68)**	**3.65**	**75.13**	**52.46**	**49.38**	**(20.04)**	**26.87**	**86.77**	**(106.13)**	**21.37**	**9.16**	**26.20**	**835.27**	**(27.14)**	**(201.74)**	**556.99**
Capital Employed	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**	**Contra**	**Diag-nostic services**	**Retail Business**	**Projects& Services**	**Covid**	**others**	**Unalloca-ble**	**Total**
(a)Fixed Assets	98.78	35.51	7.98	18.49	-	25.47	65.89	252.13	101.40	45.96	7.40	67.74	-	39.65	16.31	278.46
(b)Finan-cial assets							117.96	117.96							104.21	104.21
(C)Current Assets	273.79	124.59	1,336.40	(310.31)	403.49	258.87	297.79	2,384.64	85.60	76.36	1,126.46	178.34	3,509.99	143.99	335.14	5,455.88

(a+b+c)	**372.57**	**160.11**	**1,344.39**	**(291.82)**	**403.49**	**284.35**	**481.64**	**2,754.73**	**187.00**	**122.32**	**1,133.86**	**246.08**	**3,509.99**	**183.64**	**455.66**	**5,838.55**
Current Liabilities	127.01	179.94	1,034.60	(691.04)	2,238.90	(905.50)	64.07	2,047.98	(455.78)	86.07	788.67	(373.99)	5,337.16	(463.70)	92.39	5,010.82
Non-current Liabities							35.46	35.46							74.57	74.57
Capital Employed Allocation	**245.56**	**(19.84)**	**309.78**	**399.23**	**(1,835.41)**	**1,189.85**	**382.13**	**671.29**	**642.78**	**36.25**	**345.19**	**620.07**	**(1,827.16)**	**647.34**	**288.70**	**753.16**
Total Capital Employed								**671.29**								**753.16**

2. Secondary Segment Information - Geographical

		Rs in cr
Revenue	**2022-23**	**2021-22**
India	4,028.72	36,009.76
Outside India	157.72	90.23
	4,186.44	**36,099.99**
Capital Employed	**2022-23**	**2021-22**
India	671.29	753.16
Outside India	-	-
	671.29	**753.16**

Note 38 Income Taxes (Refer Note 2.48)		
Income tax relating to continuing operations		
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Current Tax	35.55	197.44
Adjustments/(credits) related to previous years-Net		
Income Tax	1.57	0.99
Deferred Tax Asset/ (Liability) excluding tax on OCI		
In respect of the current year	67.35	67.01
In respect of the previous year	-67.01	-24.19
Tax on OCI	-3.04	-1.65
Total Income Tax expense recognised in Profit & Loss	**33.74**	**153.96**
Income Tax expense for the year reconciled to the accounting profit:		
Profit before Tax	**102.79**	**575.53**
Income Tax Rate*	Rate as Applicable to the Company	
Income Tax expense as per Book Profits	**25.87**	**144.85**
Effect of Expenses not allowed	6.13	2.22
Effect of Income not taxable	-	-8.00
Effect of Depreciation and Amortisations	1.55	6.01
Effect of Provisions	20.15	209.34
Effect of Sale of Assets	-0.03	0.01
Effect of Leases	-0.04	0.61
Effect of other income	10.69	-1.28
Total	**38.46**	**208.91**
Income as per Income Tax	**141.25**	**784.44**
Less:Carry forward of losses	**-**	**-**
Taxable Income	**141.25**	**784.44**
	35.55	**197.44**
Effect of deductible temporary differences		
Deferred Tax Assets		
Effect of Depreciation Net	-1.94	-3.89
Effect of provisions related to Inventory	1.18	1.34

Effect of provisions related to Employee payments and deductions	67.95	70.59
Effect to Leased Assets	5.11	7.08
Total (A)	**72.30**	**75.12**
Deferred Tax Liabilties		
Effect to Lease	4.95	8.11
Total (B)	**4.95**	**8.11**
Net Deferred Tax Assets (A)-(B)	**67.35**	**67.01**
Income Tax recognised in other comprehensive income		
Remeasurement of defined benefit obligation	-3.04	-1.65
*Note -HLL and HITES have opted for Lower tax rates @ 25.168% (including cess and surcharge) u/s 115 BAA of Income Tax Act.		

ANNEXURE I :ADDITIONAL INFORMATION AS PER SCHEDULE III OF COMPANIES ACT, 2013 OF SUBSIDIARIES & JOINT VENTURE (REFER NOTE: 2.49)

	Net Assets(Total Assets minus Total Liabilities)		Share in profit or loss Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Name of the entity	As % of Consolidated Net Assets	₹ Crs	As a % of Consolidated Profit or Loss	₹ Crs	As a % of Consolidated Other Comprehensive Income	₹ Crs	As a % of Consolidated Total Comprehensive Income	₹ Crs
Parent								
HLL Lifecare Limited	98.14%	658.84	79.30%	39.77	61.57%	-5.88	83.47%	33.89
Subsidiaries (Indian)								
Goa Antibiotics & Pharmaceuticals Limited	-2.70%	-18.13	-9.46%	-4.75	5.30%	-0.51	-12.94%	-5.25
HLL Infra Tech Services Limited	6.34%	42.55	49.86%	25.01	33.10%	-3.16	53.80%	21.84
HLL Mother & Child Care Hospitals Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total		**683.26**		**60.03**		**-9.55**		**50.48**
Add/ Less: Effect of intercompany adjustments/ eliminations	-2.24%	**-15.06**	-20.01%	**-10.04**	0.03%	**-0.00**	-24.34%	**-9.88**
Total without Joint Venture accounted under Equity method	99.54%	**668.20**	99.69%	**49.99**	100.00%	**-9.55**	100.00%	**40.60**
Joint Venture								
Lifespring Hospitals (P) Limited	0.46%	3.09	0.31%	0.16	0.00%	-	0.00%	-
Total	100.00%	671.29	100.00%	50.15	100.00%	-9.55	100.00%	40.60

ANNEXURE II : ADDITIONAL INFORMATION AS PER COMPANIES ACT, 2013 (PURSUANT TO SECTION 129 (3) (1) READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014) IN FORM AOC-1
PART "A" SUBSIDIARIES (FY 2022-23)

Sl. No	Name of the subsidiary company	Goa Antibiotics & Pharmaceuticals Limited	HLL Infra Tech Services Limited	HLL Mother & Child Care Hospital Limited
1	Reporting Currency	**(₹ crs)**	**(₹ crs)**	**(₹ crs)**
2	Share Capital	19.02	2.00	-
3	Reserves & Surplus	-37.15	40.55	-
4	Total Assets	37.93	4033.33	-
5	Total Liabilities	56.05	3990.78	-
6	Investments	0.00	0.00	-
7	Turnover	51.68	359.15	-
8	Profit Before Tax	-5.98	33.60	
9	Provision for Tax	(1.24)	8.59	-
10	Profit/loss After Tax	-4.75	25.01	
11	Proposed Dividend	Nil	Nil	
12	Percentage of Shareholding	74%	100%	100%
Names of subsidiaries which are yet to commence operations:				Nil
Names of subsidiaries which have liquidated or sold during the year:				None

PART "B" ASSOCIATES & JOINT VENTURES
Name of Joint Venture Company : Life Spring Hospital (P) Limited

1	Latest audited Balance Sheet Date		31.03.2023
2	No. of shares of Associate / Joint Ventures held by the company on the year end		85,79,929
3	Amount of Investment in Associates/Joint Ventures		9.51
4	Extend of Holding %		50%

5	Description of how there is significant influence	50% Equity Share holding and equal Board representation along with Acumen Fund INC	
6	Reason/why the associate /joint venture is not consolidated		N.A
7	Net worth attributable to shareholding as per latest audited Balance Sheet		3.09
8	Profit/Loss for the year		0.32
	(i) Considered in Consolidation		0.16
	(ii) Not Considered in Consolidation		0.16

For and on behalf of the Board of Directors

Vide our report of even date attached

Vide our report of even date attached

For Sridhar & Co

Chartered Accountants

Firm No: 003978S

K.Beji George,IRTS
Chairman &
Managing Director
[DIN: 08419099]

Dr.Geeta Sharma
Director (F)
[DIN: 08225251]

Remesh.P
VP(F) & CFO
[ACMA:19552]

Jaikrishnan A.R
Company Secretary
[ACS:14328]

CA Jayasindhu I
Partner
Membership No: 205660
UDIN: 23205660BGSTAE5899

Place : Trivandrum
Date : 28.08-2023

Place : Trivandrum
Date : 06.09-2023