

Ref: NL/CS/2021- 29

Dated: September 07, 2021

To

1. National Stock Exchange of India Limited
'G' Block, Exchange Plaza, Bandra Kurla Complex,
Bandra (East), MUMBAI - 400 051.
2. BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
MUMBAI - 400 001.

Sub: Notice of Annual General Meeting and Annual Report

Sir/Madam,

Pursuant to Regulation 30 and 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the Annual Report for the financial year ended on March 31, 2021, containing therein, inter alia:

1. Notice of 05th Annual General Meeting through VC/OAVM.
2. Standalone financial statements, Directors' and Auditors' Reports thereon
3. Consolidated financial statements and Auditors Report thereon
4. Corporate Governance Report
5. Management Discussion and Analysis Report

This is for your information and records please.

Thanking you,

Yours Sincerely,
For Nureca Limited



(Gurvikram Singh)

Company Secretary & Compliance Officer



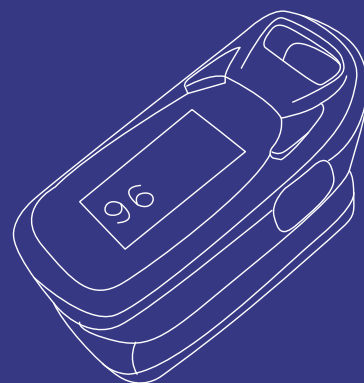
Encl. as above



**INNOVATING
TODAY FOR** *a healthier
tomorrow*

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FORWARD-LOOKING *Statement*

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, words like 'plans,' 'expects,' 'anticipates,' 'believes,' 'intends,' 'estimates,' or other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events.

The Company's actual results, performance, or achievements could vary materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, assumption, expectations, future event, subsequent development, or otherwise.





THINK. FEEL. *Create*

Innovating today for a healthier tomorrow

Today, India's young millennials and Gen Zers are leading the change as health and happiness take priority for them. This, coupled with the government's impetus towards amplifying new models of health and wellness deep-rooted in traditional Indian medicine, has given a steady boost to the home healthcare and wellness market in the country.

With a steady growth of the economy over the last decade, India also witnessed drastic improvement in standard of living that resulted in a change in the lifestyle of the urban middle class. The improved standard of living, though, brought with it many lifestyle-related illnesses such as hypertension, obesity, and diabetes along with heart-related and other chronic diseases. The sudden rise in chronic illnesses has now propelled better awareness regarding such diseases, which has driven people to taking preventive healthcare seriously.

As we recover from an unparalleled pandemic, today's generation is armed with more information and knowledge about general health, fitness, and chronic illnesses while understanding the risks of lifestyle diseases. This has helped people turn towards adapting diet rich in micronutrients in their diet. Health experts also understand the benefits of nutraceutical supplements along with conventional healthy foods and are blending these to suit everyday diet and lifestyle. The focus has considerably shifted towards holistic health – self-care and wellness of the body, mind, and soul. With self-care at the fore, we believe that adapting to a frugal thought process and

innovation are key to creating affordable and quality wellness products for a larger population. With this in mind, Nureca is focused on leveraging its innovation, research, and data science capabilities to help and empower more people living with chronic and lifestyle diseases to live healthier and happier lives. Our principles of being able to 'think' with our senses, 'feel' with our minds, and 'create' with purpose, drive us to build an ecosystem of meaningful products, processes, and value chains. Along with this, adaptability is an intrinsic ethos that helps us respond quickly to changing markets and shifting consumer needs.

Our envisaged digital ecosystem and principles aim to provide integrated solutions aiding our customers to maintain a suitable fitness regime, have clear understanding of and control over existing diseases with easier health monitoring at home and optimum nutrition through quality nutraceuticals.





HEALTHY PERFORMANCE.

Sustainable operations

Dear Stakeholders,

I am pleased to connect with you all for the first time through our annual report. Nureca IPO was successfully completed with the offering being subscribed approximately 40 times. We are truly overwhelmed by this tremendous response to our IPO and your confidence in the Company and management. While the IPO was one of our crucial milestones, we are now excited to bring in more products and solutions to create a digital ecosystem that facilitates better lifestyle disease management, creates healthier lives, and helps people achieve their wellness goals.

Growing economy. Rising lifestyle. Higher chronic diseases

Over the last decade, the meteoric rise in income and standard of living has led to an increase in lifestyle-related illnesses. Although advancement in medical technology has made it possible to treat these chronic diseases, it remains expensive or inaccessible for most Indians. These diseases need constant health monitoring, appropriate dietary and nutrition requirements, and continuous interaction with healthcare professionals to manage them.

India's home health monitoring market continues to be saturated with poor quality and inaccurate devices. This, along with the shift in people's attitude towards health management presented us with an opportune platform to create an umbrella of healthcare monitoring and wellness solutions that are affordable, accessible, and of the highest quality. In 2016, my brother Aryan and I created Nureca to bridge this gap. Our products and digital ecosystem are created with careful thought, keeping in mind what our customers feel and need, without compromising on quality or affordability.

Battling the pandemic

The Financial Year 2020-21 tested our personal and professional mettle like never before. Through the challenges, and there were plenty, our team stepped up and stood tall, demonstrating a steely spirit and resilience in the face of the devastating global pandemic. Together we were, unflinching in our commitment to delivering superior and accessible healthcare solutions to our customers. I am filled with pride and gratitude for everything our team has accomplished in the past year.

Sustainable growth

Our Company recorded significant growth in 2020-21. We more than doubled our revenue in FY21, reiterating the demand and growth of the home healthcare segment in India. It also reinforces our belief that home healthcare devices are the need of the hour, and we believe that the demand for these products will remain strong in coming years. The pandemic also helped push the narrative for quality 'at home,' healthcare and monitoring products being the first line of defense. Our margins also expanded manyfold this year supported by our continuous focus on cost price points, stayed connected with our suppliers to wrinkle out supply chain issues, and made sure our products were available on all ecommerce platforms.





Since inception, we have been asset light, which protects us considerably from external challenges such as COVID-19 and economic slowdown as well as keeping our return on investments very high. This is visible through our impressive 67% Return on Capital Employed in FY21.

We continue to add more SKUs in our product basket to provide diversified options to our customers in terms of pricing and features. As of March 2021, we have more than 150 SKUs in our product basket. With over 60 products in our pipeline for FY22, we are confident that we will continue the growth momentum.

We are also stepping into the lucrative nutraceuticals market focused on dietary supplements to capitalize on the higher demand for such products driven by the positive spending sentiments of the aware and health-conscious millennials and Gen Zers.

Our flagship brands such as Dr Trust® continue to enjoy high credibility and a loyal customer base. We will continue to add products under our brands, and I am sure that our huge, loyal customer base will facilitate easier cross-selling opportunities for our new products.

Innovative technology. Connected products

Frugal innovation being the need of the hour, we are aware of the huge role technology continues to play in healthcare. We are constantly working towards improving our healthcare solutions to engender better health and longevity. We continue to accelerate this through exploration, thought, and experimentation. We are mindful of our responsibility towards our customers and will persist in our efforts to deliver the best to them.

The way forward

Since inception, we have achieved incredible growth, increased our market wallet considerably, and continued to make significant investments in healthcare technology — all while serving millions of people across India. We will strive to bring more cutting-edge products as well as upgrade existing portfolio, widen our product basket, and create a safe, affordable digital ecosystem for billions of Indians, which will serve as a single platform for all their healthcare needs.

We believe that the true measure of our success will be determined by how much value we create for the entire ecosystem — ‘the Nureca family.’

Thank you!

On behalf of the entire team at Nureca, I thank you, our stakeholders for your unwavering support and trust, and for helping us build a healthier and more empowered world. I look forward to continuing to this path of success, together.

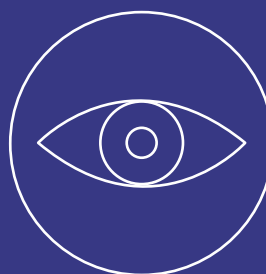
Saurabh Goyal
Chairman and Managing Director



MANAGEMENT DISCUSSION *And analysis* COMPANY *Overview*

Become the most trustworthy healthcare partner by providing an unparalleled experience to our customers through our highest quality home healthcare solutions.

VISION



MISSION

Making health monitoring easy and accessible to everyone through innovation, exceptional technologies, and an unerring commitment to health.



THINK. FEEL. CREATE.

Innovating today for a healthier tomorrow...

Nureca Limited, is a leading digital healthcare and wellness solutions provider. We have over 150 SKUs across different categories. Since inception, we have adopted a digital first approach, which is visible in our singular focus on online channels reflecting 95% of the revenue. We sell our products through various digital platforms including Flipkart, Amazon, and our website

<https://drtrust.in/> We are committed to creating products that support diagnosis, treatment, and prevention of illness through monitoring and analysis of health data. Our products comply with USFDA, European CE, ROHS, and ISO standards. We own more than 100 design patents.

2021

Listed on stock exchanges

₹216CR

Revenue for year FY21

₹299CR

GMV for year FY21

₹64CR

EBITDA for year FY21

5

Product categories

- Chronic disease monitoring
- Orthopedic products
- Lifestyle products
- Mother and child care
- Nutrition products

50+

USFDA approved products

150_{SKUS}

Respiratory, physiotherapy, cardiac, diabetes and mother & child care

102

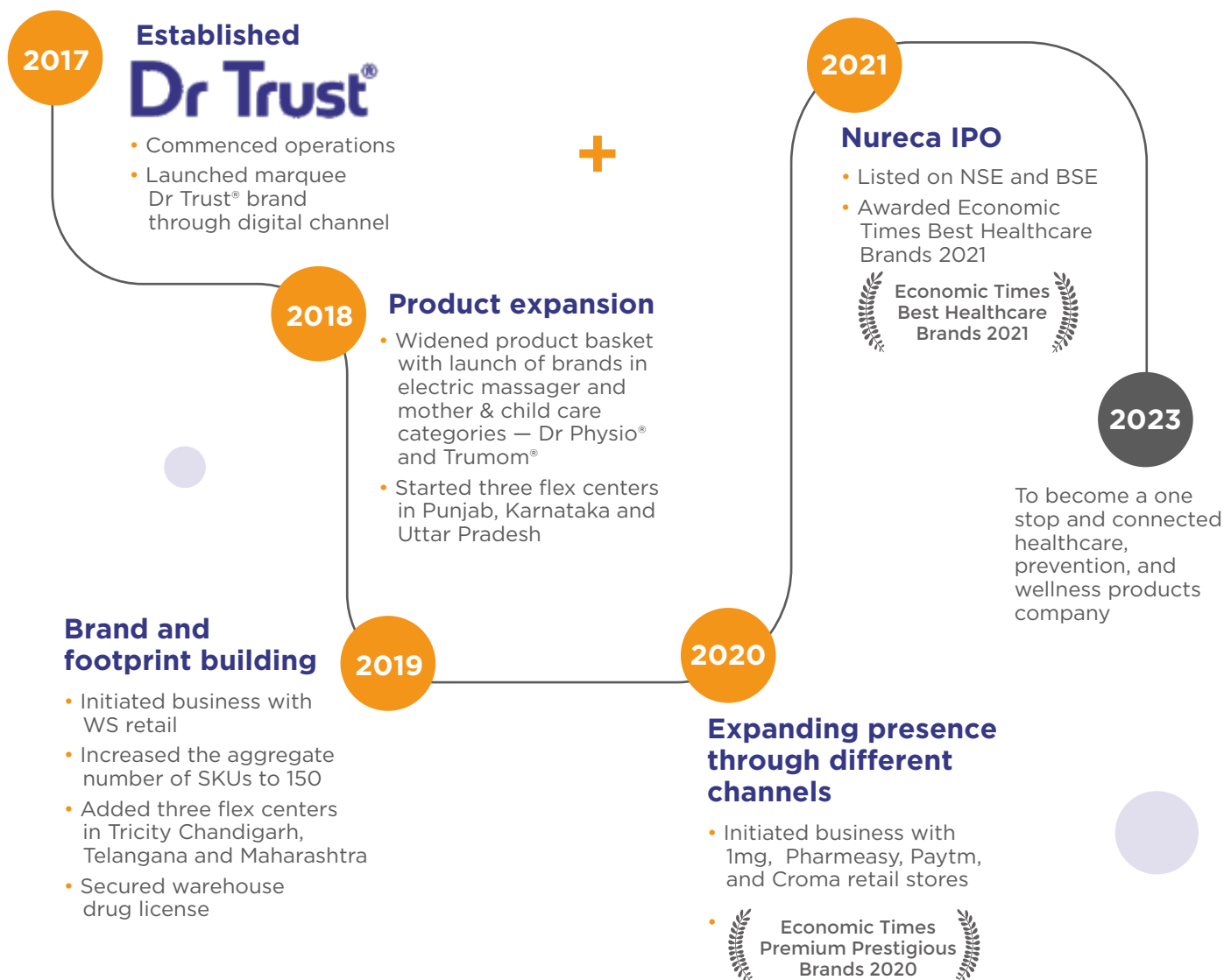
Design patents

OUR Journey

In today's landscape, with the overall emphasis on well-being and preventive care, the home healthcare solutions segment has seen a meteoric rise.

Back in 2016, our founders identified a huge gap in the market for reliable, accurate, but cost-effective home medical devices, thereby coming together to launch Nureca in India. These devices democratize medical monitoring by giving patients the power to understand the nuances of their conditions easily.

That was only the beginning. Soon, we had carved a niche for ourselves as a leading home medical device company, powered by tenacity, intelligence, meaningful innovation, and acumen. We believe that our team is the driving force behind our success.



OUR Brands




Dr Trust®

DR TRUST (Wellness & Healthcare)

A leading brand of highly accurate medical devices and health monitoring solutions that aims to make health and lifestyle management easier for people across the world. Our latest innovation in the digitized ecosystem signifies a strategic transition from standalone products to solutions combining smart devices, software, and systems.



**DR
PHYSIO**

DR PHYSIO (Orthocare & Pain Management)

These products help relieve chronic pain and enhanced mobility, enabling our customers to lead healthy and active lives. Our innovative range of products is designed to provide restorative well-being, non-intrusive pain management, and wholistic full-body relaxation.




trumom

TRUMOM (Mother & Childcare)

Trumom® is a brand that is centered around babies and their worlds. We understand the deep primal bond between mothers and newborns, and our products endeavor to nurture and strengthen this bond. Our infant and mother care products are safe, reliable, comfortable, and exceed global quality standards.



KEY PRODUCT

Segments



Chronic Disease Products

- Nebulizer
- BP Monitors
- Finger Pulse Oximeter
- Glucose Meter
- Thermometer

Dr Trust®



Orthopedic Products

- Massagers
- Pain Monitors
- Posture Corrector
- Rehabilitation

DR PHYSIO



Lifestyle Products

- Humidifiers & Steamers
- Personal Scales
- Massagers
- Yoga & Exercise
- Fitness Tracking
- Dental & Personal Care

Dr Trust®



Mother & Babycare

- Baby Feeding
- Carry Cots
- Baby Skincare
- Nebulizers
- Bottle Warmers & Steamers

tru mom



Nutritional Supplements

- Supplements
- Weight Management

Dr Trust®



Dr Trust®

- ECG
- Fitness Tracker
- Blood Pressure Monitor
- Glucometer
- Smart Weighing Scale



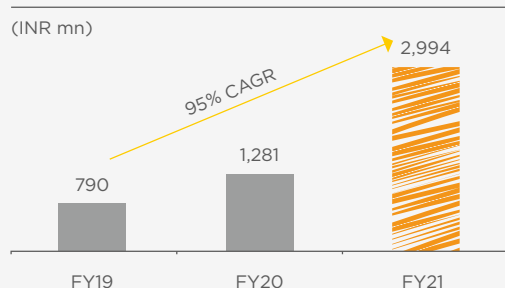
ROBUST PERFORMANCE

Since inception

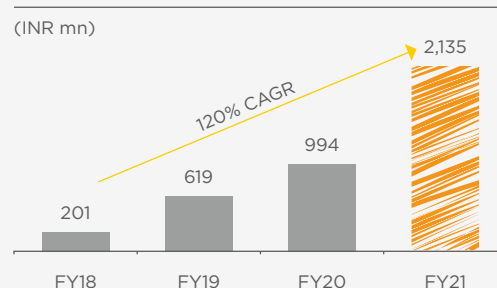


FINANCIAL HIGHLIGHTS

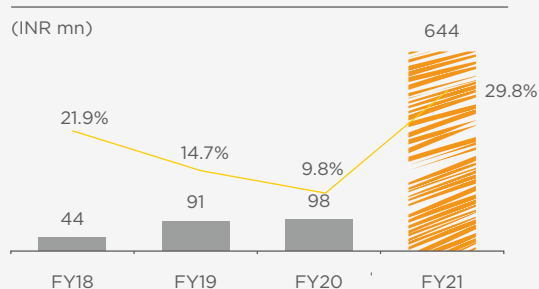
Strong GMV growth



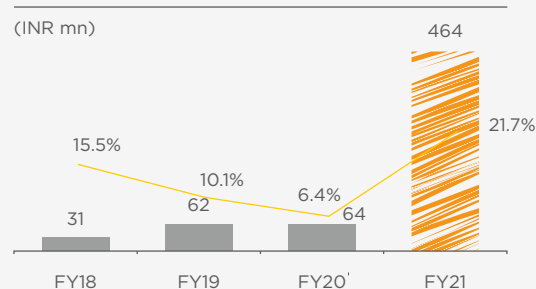
Robust operating revenue growth



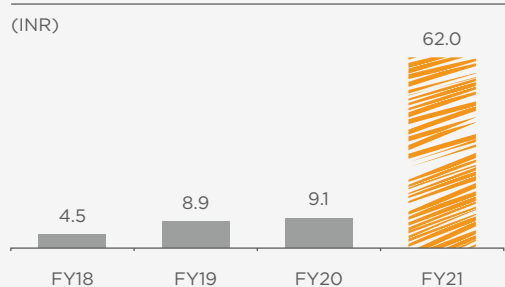
Healthy EBITDA & EBITDA margin



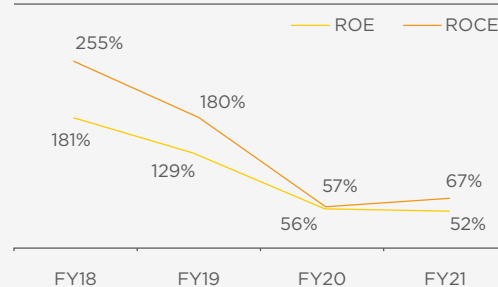
Healthy PAT & PAT margin



EPS continues to grow



Strong return ratios — ROE & ROCE





OUR Founders



SAURABH GOYAL

Chairman & Managing Director

Saurabh is a seasoned professional who manages external and internal customer touchpoints, along with driving up operational efficiencies.

He is responsible for the overall success of the business while ensuring that the company is constantly moving towards fulfilling both short-term and long-term objectives.

He steers Nureca in the direction of continuous growth and sees to it that the Company does not diverge from the strategic purpose of increasing shareholder value.

Saurabh has a master's degree in Science from King's College, London and has over a decade of experience in the healthcare & life sciences industry. His extraordinary organizational skills have helped Nureca achieve leadership position as a global digital healthcare devices company.



ARYAN GOYAL

Chief Executive Officer

Aryan's foray into healthcare & life sciences began in 2005, right after he completed his bachelor's degree in chemical engineering from Purdue University, USA.

He spent nearly a decade driving growth for one of India's leading pharmaceutical companies.

By 2017, he was ready to fuel his entrepreneurial passion and as a result, started Nureca. In less than five years, his grit has shaped the Company to become a leader in digital healthcare devices.



OUR BOARD OF *Directors*

Meet our experienced and diverse board of directors.



Vijay Sharma

Independent Director

Mr. Sharma has been a Director of our Company since 21 October, 2020. Previously, he served as the Managing Director and Chief Executive Officer of LIC Housing Finance Limited (2010-2013). In 2013, he became the Managing Director of the Life Insurance Corporation of India, and later its Chairman (2016-2018).

He is on the boards of Reliance Power Limited, Tata Steel Limited and Mahindra & Mahindra Limited.



Nitin Bidikar

Independent Director

Mr. Bidikar is a Senior Advisor to Deloitte India and Global (2017).

He has several qualifications including a BSc. (Chemistry), BSc. (Medical Sociology), D. Pharmacy, PGDIM and a Bachelor's degree in General Law. He has an experience of more than 29 years in senior management and consulting, and worked for Life Sciences, Pharmaceuticals, CRO, and KPO companies such as Deloitte India, KPMG India, Goldshield India (a subsidiary of Goldshield Group PLC UK, Dolphin Laboratories, Mumbai, Charak Pharmaceuticals Limited, Mumbai, and SMS Formulation Exports.



Dr. Vikram Chaudhery

Independent Director

Dr. Chaudhery is the COO and Co-Founder of General Inception, a Life Sciences Venture Studio in the USA and the Principal of Genoa Ventures, an early stage life sciences fund. He was the Head of Life Sciences at Lam Research, a Fortune 500 semiconductor equipment manufacturer, for two years. He has 4 years of experience working in various positions at McKinsey & Company, Fortune's list of top 10 most important private companies.

He is a recipient of the Paul D. Coleman Outstanding Research Award and A.R. "Buck" Knight Outstanding Senior Award. He has co-authored 25 peer-reviewed publications, authored 14 peer-reviewed articles and presented at 11 industry conferences.



Dr. Shrikant Tamhane

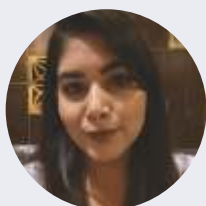
Independent Director

Dr. Tamhane is a Consultant in the department of Endocrinology at Reid Health, Richmond, USA (2017). He has three years of experience as an Assistant Professor of Medicine at the Mayo Clinic and has completed a three-year residency in Internal Medicine.

He comes with a rich experience of 17 years in the medical field and clinical medicine.

He also has an MBA (Health Sector) from the Fuqua School of Business, Duke University, Durham, USA. He completed his Bachelor of Medicine and Bachelor of Surgery degrees from B.J. Medical College, Maharashtra University of Health Sciences, Pune, India.





Charu Singh
Independent Director

Ms. Charu joined our Company as a Director on 21 October, 2020. She has over 5 years of experience in accounts and finance. She has worked with PriceWaterhouse & Co, GE India Business Services as Assistant Manager -- India Transfer Pricing CoE, and as Ad-Hoc Assistant Professor (Department of Commerce) at Vivekananda College.

She holds a Bachelor's degree in Commerce from University of Delhi and a Master's degree in Commerce (Business Policy and Corporate Governance) from IGNOU. She has an MBA in International Business from Punjab University. She is a certified company secretary from the Institute of Company Secretaries of India.



Ruchita Agarwal
Independent Director

Ms. Ruchita has been a Director of our Company since 29 October, 2020.

She has worked with J.P. Morgan Chase and Dow Jones Consulting and has over five years of experience.

She holds a Bachelor's degree in Commerce from the University of Pune as well as a Global MBA degree (Finance) from S.P. Jain Center of Management, Singapore.



S.K. Srivastava
Director (Compliance)

Mr. Srivastava served in the Indian Air Force for 26 years and is vastly experienced in supervising, planning, managing operations, administration, and training.

He is well-versed in the compliance needs of administrative matters and has assisted various personnel in ensuring administrative and other corporate compliances.

He holds a Bachelor's degree in Arts from IGNOU and a Diploma in Pharmacy from Bangalore University.



MOVING TOWARDS



A connected world

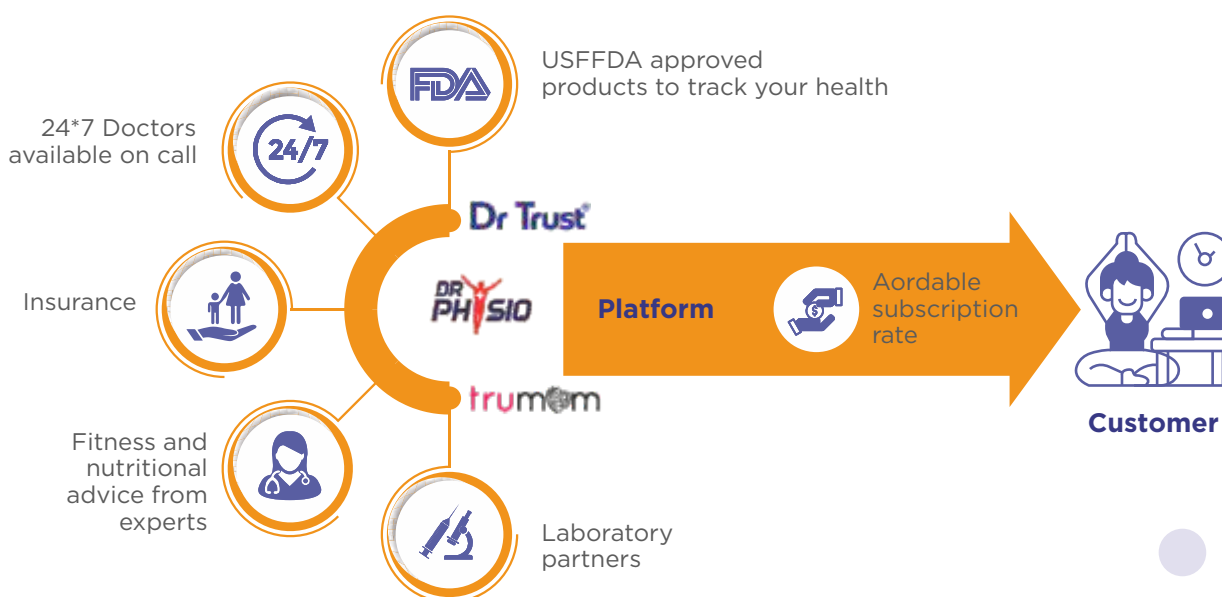
We envisage enabling our customers to monitor chronic and acute ailments in real time from the convenience of their home. Today, our flagship brands offer over 150 SKUs in different categories via online channel partners. At present, we hold over 100 design patents. As we move into a future where healthcare and its management will be more crucial than ever, we are poised to become a leading, trusted partner through our hero portfolio brands – Dr Trust®, Dr Physio, and Trumom®. Our growing range of connected devices is well-entrenched in IoT and easy to sync with smart devices, while our health app provides secure consolidation of data.

We are moving towards creating a safe digital ecosystem for our users that will be well integrated to manage our customers' needs at the click of a button. Our ecosystem will encompass real time monitoring, doctors on standby, along

with nudges from Dr Trust® that remind customers about the importance of diet, supplements, and fitness. It also includes timely reminders for taking medications, and a huge library of content educating our customers on diseases as well as providing general awareness about health and fitness. The entire digital integration is backed by exclusive Dr Trust®, Dr Physio, and Trumom® products as well as our next-generation AI platform. Our platform will have more partners over the period which will make it a one-stop, full-fledged, virtual healthcare platform.

As more users join our platform, we will be able to use our data science capabilities to analyze clinical data and apply iterative insights to make the experience for our users more personalized.

Our data science capabilities aim to empower more people living with chronic and lifestyle diseases to live better and healthier lives.





CONTINUOUS INNOVATION.

Excellent quality

Our success may be attributed to various factors, but chief among them are the unrivalled technical expertise, product quality of the highest levels, and valuable industry insights enabled by our robust network.

Nureca has been at the forefront of innovation in the home health care solutions industry as we continue to bring innovative products to the market at affordable rates. Our team is working on connected devices technology to improve user experience with seamless transition of health data in one place – on the Dr Trust® app and platform. We already have our range of connected devices and will continue on this path to create a connected digital ecosystem.

Nureca is synonymous with world-leading digital health and wellness products. We are committed to excellence and accuracy in our products, and we take pride in knowing that they meet global standards. That's not all! Most of our products come with FDA, CE, ROHS, and ISO certifications, which reinforce our customers' belief in our products.

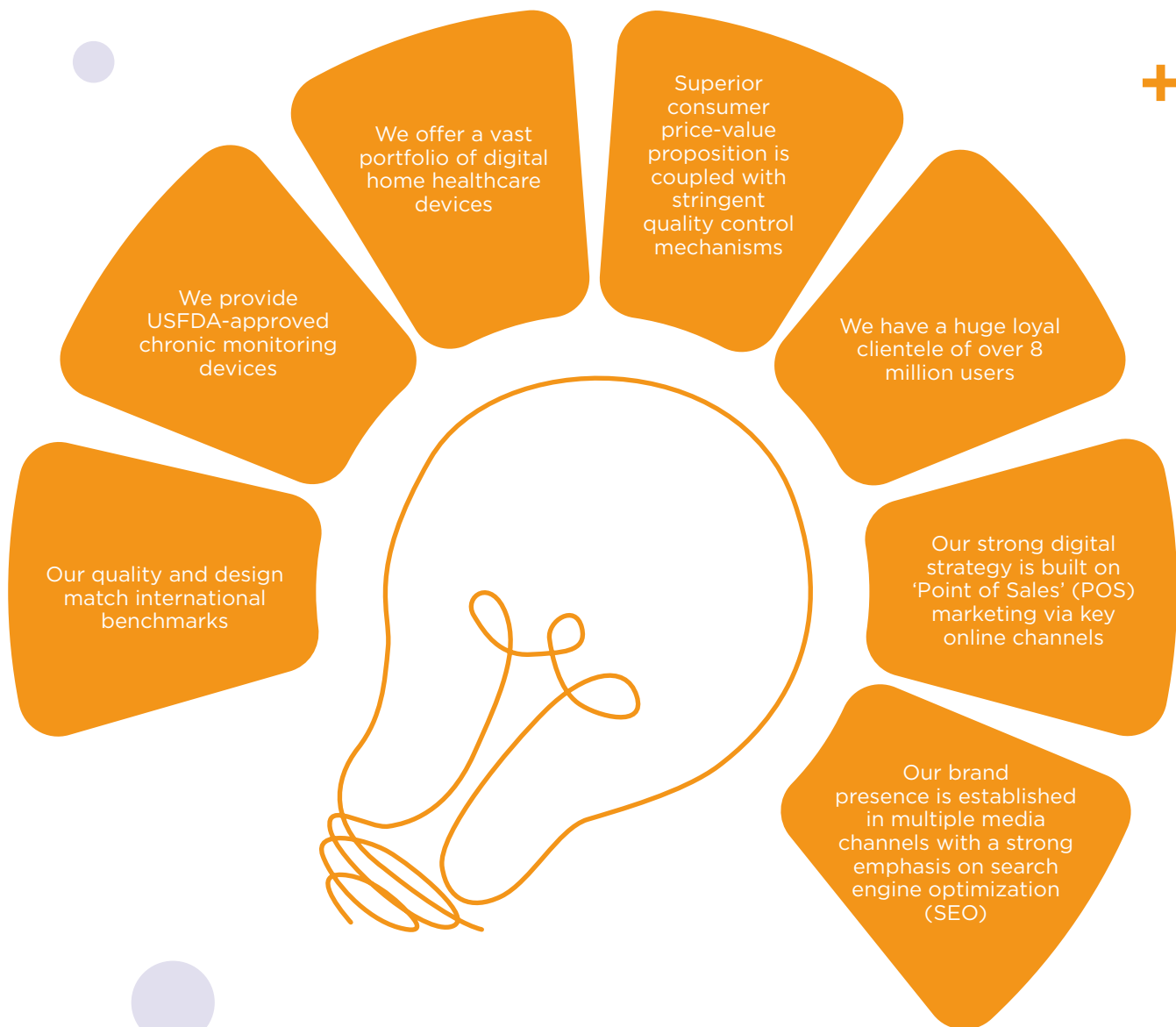
At Nureca, we go the extra mile to alleviate human suffering by enabling top quality, affordable healthcare solutions. Our products are, therefore, crafted on a foundation of innovation, entrepreneurship, and sustainability — for a better tomorrow.

We are committed to Think, Feel and Create new technologies, which help in prevention, improve care, and provide 360° health solutions for our users.



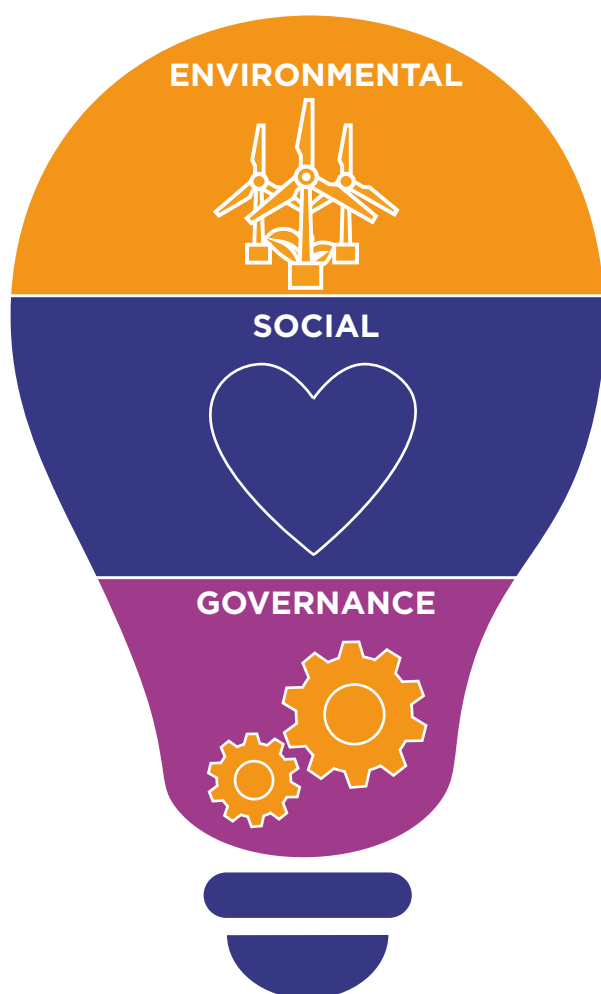
THE NURECA *Advantage*

Nureca's products are manufactured to be safe, accurate, long-lasting, and compliant with national and international regulations.



ENVIRONMENT SOCIAL AND

Governance report



Scope of reporting

This report includes Environmental, Social and Governance (ESG) aspects, opportunities, risks, and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value. The Report provides material information relating to the Company between April 1, 2020 and March 31, 2021. This report covers information pertaining to, the manufacturing location in Chandigarh, Warehouse in Zirakpur (Punjab) and Corporate office located in Chandigarh.

Message from the leadership

We believe that as a company we have the responsibility to make positive, meaningful impact in the industries we serve and to the communities in which we operate. Although ESG has been an area of importance for companies to pay attention over several years, the long list of challenging environmental and social events of FY 2020-21 have further underlined its importance. That is why we have decided to formalize the way we manage and communicate our ESG efforts. This is our first step to publish our ESG performance as a part of Annual Report to ensure a more sustainable future for all. We continue to comply with the SEBI's mandate on Business Responsibility Reporting (BRR).

FY2020-21 was a truly unprecedented year, with the COVID-19 pandemic disrupting the global economy and presenting personal and professional challenges that none of us could have foreseen. One of our products Dr. Trust - Pulse oximeter was of tremendous importance as our country and the world fought the pandemic. We are humbled to be able to do our bit in supporting the efforts towards recovery. We have tried our best to ensure availability and accessibility of our products during the pandemic.

“Nureca got listed on the Indian Stock market during FY 20-21 and is in compliance to publish the Business responsibility report (BRR)”

As a forward-looking company, we have decided to go a step beyond and have included a ESG section along with the BRR. As we go forward, we commit to strengthen our ESG practices and disclose our ESG performance to all our shareholders and other stakeholders on an annual basis.

Our ESG journey is guided by our shared values of innovation, integrity, trust & responsibility. We are dedicated to continuously improve our impact by achieving visible and measurable progress. The first step in improving our approach is to communicate our progress through this ESG section. We hope you find value in reading where we are today and our commitment going forward.

The Report has been prepared using guidance from

- a) Global Reporting Initiative (GRI) standards.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, (SEBI LODR) 2015

We welcome feedback on our Report, to ensure that we continue to disclose information that is relevant to stakeholder decision-making. Please refer queries or suggestions to cs@nureca.com



Our Focus Areas

A materiality assessment exercise was conducted to identify ESG risks and opportunities that are most important to our business and stakeholders. The identification of material topics involved conducting research on global and local trends in our industry, peer benchmarking, as well as industry best practices. Results of this assessment exercise were reviewed by our senior management from the point of view of relevance and adequacy. Based on the review, the materiality topics were finalized. To integrate the expectations of stakeholders within the activities of the organization, we intend to conduct external stakeholder engagement to prioritize material topics and better respond to the changing landscape.

We will continue to assess these material topics on a regular basis to ensure their relevance and importance to our business. The table below depicts each corresponding topic with the specific ESG criteria:

Environmental	Social	Governance
Product Packaging office Equipment	Talent Attraction and development	Corporate Governance
Waste Management	Product safety & quality	Data privacy and security
Energy Management	Selling Practices & Product Labelling	Business ethics
GHG emissions	Customer satisfaction	
Supply chain management	Occupational Health and Safety	
	Corporate social responsibility	
Economic Performance		

Governance

Board of Directors

Our Board of Directors include Saurabh Goyal, Ruchita Agarwal, Shrikant Uttam Tamhane, Vijay Kumar Sharma, Nitin Ravindra Bidikar, Charu Singh, Rajinder Sharma, Vikram Chaudhery, Santosh Kumar Srivastava. We have 7 Board members out of which 2 are female members.

Governance for Business responsibility and Corporate Social Responsibility

Business Responsibility Governance

To augment our dedication to responsible business, our Board has adopted Business Responsibility (BR) based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG - SEE) as issued by the Ministry of Corporate Affairs, Government of India. In alignment with these principles and clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, a Business Responsibility Report is published as a part of the Annual Report.

The Business Responsibility Report (BRR) is headed by the Chairman & Managing Director Mr. Saurabh Goyal and Chief Financial Officer, Mr. Nishant Garg, and Subsequently, it is reviewed by the Board of Directors on annual basis.

CSR Governance

The Board of Directors of the Company has constituted a committee called the "Corporate Social Responsibility Committee" ("CSR Committee") in accordance with the Companies Act 2013 and rules made thereunder.

The CSR committee is responsible for overseeing and advocating the activities to be carried out under the CSR Policy adopted by Nureca.

Policies and Strategies

Policy on Board Diversity

This policy is framed to ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge, perspective, and gender in the board. As per the policy, the board of directors of the company shall comprise at least one-woman director. The nomination and remuneration policy will review this policy as appropriate to ensure the effectiveness of the same.

Code of Conduct for Board of Directors and Senior Management

The code broadly lays down the general principles to be followed by the board of directors and the senior management of the company as a guide for discharging their responsibilities as members of the board and senior management. The purpose of this code is to promote and enhance transparency in corporate governance and to ensure that the affairs of the company are conducted in an ethical manner and in compliance with the applicable laws and regulations.

Whistle Blower Policy

The purpose of this policy is to provide framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the company.

The whistle blower policy, which is a channel to reinforce the robust implementation of the Company's code, has been formulated with the view to provide mechanism for Directors and Employees of the Company to approach the Chairman as the case may be.

Code of Conduct for prevention of Insider Trading

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every Designated Person of the Company has a duty to safeguard the confidentiality of all such information obtained during his or her work at the Company. No Designated Person may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating/ counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

Risk Management Policy

We recognize risk as an integral component of business and is committed to manage the risk in pro-active and effective manner. To identify and mitigate risks, the Company has developed a risk management policy, which includes risk assessment, management, and monitoring. This policy has been developed in line with the objective of the company (strategic, operational, reporting and compliance).



Policy for Prevention of Sexual Harassment

We are committed to providing a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. The Company will therefore take all necessary steps to ensure that the employees are not subject to any form of harassment.

To ensure this, The Prevention of Sexual Harassment Policy has been formed to prohibit, prevent, or deter the commission of acts of sexual harassment at workplace and to provide the procedure for redressal of complaints pertaining to sexual harassment.

This policy was constituted in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

CSR Policy

We understand our responsibility towards the society and environment in which it operates and is committed to operate and grow its business in a socially responsible way. To ensure this, a CSR policy has been constituted by Nureca.

Our CSR Policy highlights the objectives, roles, and responsibilities of the CSR Committee, focus area of CSR activities, and provides guidance for planning, implementation, and monitoring of our CSR initiatives. The policy also outlines the thematic areas of focus, primarily Schedule VII activities, for which we shall contribute as per the CSR norms.

Compliance with Anti-Bribery and Anti-corruption

We strongly believe in conducting business with integrity and good ethical standards, in compliance with applicable anti-bribery and anti-corruption laws. The Company has reported zero confirmed incidents of corruption.

Economic Performance

We recognize the financial interconnectivity that our economic performance has with all our stakeholders. We seek to deliver sustainable returns to all stakeholders by driving constant economic growth and aiming to operate in a responsible manner. Please refer to the financial statements in the Annual Report for more information regarding Nureca's economic performance.

Environment

In a world of increasing transparency, it's more important than ever to commit to delivering positive outcomes for both our people and the planet. To that end, our focus is on the 4 Rs- Reduce, Reuse, Recycle and Recover.

On the environmental front, we are vigilant and thoughtful towards minimising the impacts of our operations. It is our constant endeavour to ensure compliance to the regulatory norms.

Our direct energy consumption arises from electricity used in the offices, warehouse, and manufacturing location. We continue to seek opportunities to improve our energy use and have consumed 207.42 GJ of energy leading to 45.51 tCO₂e Scope 2 emission in the reporting year.

In FY2021, 3220 Kilograms of e-waste obsolete or defunct electronic and electrical equipment were disposed through government-authorized handlers or recyclers in accordance with the regulations.

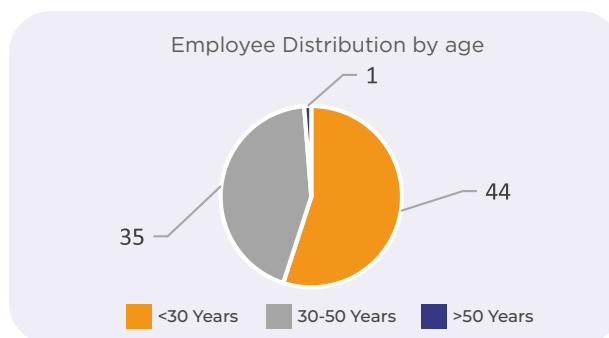
Our product line also features many energy efficient products. For example, our foot and calf massagers (item nos. 1008, 1022, 1024) are extremely energy efficient and consume only 80W, 80W and 40W respectively when in use. The items also come in environment friendly packaging. Another one of our products - Gold standard USA Currency Cash Note Counting Machine 3001 consumes only 70W when in use. It is also equipped with an LCD sleep feature which results in zero power consumption when it is not counting currency.

In our efforts to improve our environmental impact, we endeavour to work with suppliers who follow good environmental practices. Few of our suppliers have third party certification on ISO 14001: 2015 environmental management system and is member of "Business Social Compliance Initiative". Further, many of our suppliers have adopted environment friendly raw materials and processes in their operations.

Social

Talent attraction and development

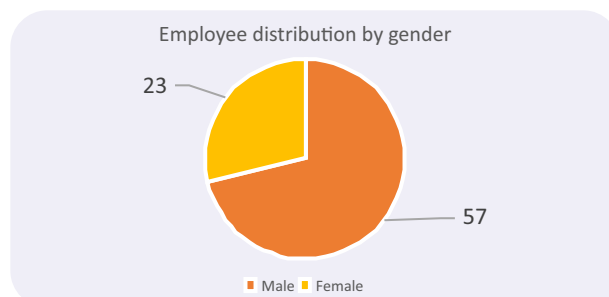
We have an employee centric work culture built on the pillars of open & honest communication, engagement, innovation, team spirit, and growth. We employ various channels for attracting new talent. These include job posting on company website; job postings on social media platforms like LinkedIn; recruitment consultants and employee referrals. We do not discriminate at any stage of recruitment. We practice zero discrimination and conduct ourselves accordingly.



As on 31st March 2021, our employee strength was 80. Total number of female employees was 23.

In FY 2020-21, the employee turnover rate was 15%. We hired 22 new employees during the reporting period of which 6 were females.

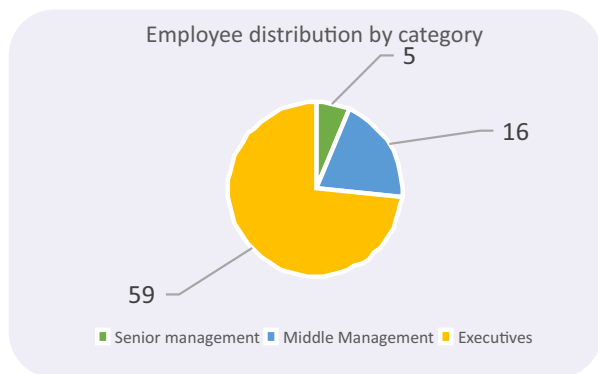
We have a young workforce and we invest in their growth and development since the day they join Nureca. Every new employee receives a welcome kit and is provided with an orientation on the entire business. They are then introduced to their respective department heads and the department heads provide an overview of the department. A welcome lunch is also organized which provides all new joiners an opportunity to know each other and other team members in a more casual setting.



Performance measurement metrics are set by employees themselves in discussions with their managers at the beginning of the year.

Progress against the metrics are reviewed mid-year. Employees are consistently coached by their managers throughout the year to help them build their capacities. At the end of the year, a combination of self-rating and manager rating is used to provide feedback and performance rating to all eligible employees. 30% weightage is provided to self-rating and 70% weightage is provided to manager rating.

A total of 38 employees were provided with performance rating and appraisals in FY 20-21 as per eligibility. Of these, 13 were female employees and 25 were male employees.



In addition to the above, we have designed a survey to assess additional needs & aspirations of our people. This is a very detailed survey comprising of 60 questions covering aspects like safety, job satisfaction, trust & transparency, compensation etc. This survey will be deployed in FY 21-22. Through this survey we plan on understanding our employees needs and requirements better and accordingly work towards creating a better working environment for our people.

In terms of employee engagement activities, we also celebrate various festivals and employee birthdays in our office.

Grievance redressal

We have a clearly documented grievance redressal policy & mechanism. All our people are oriented on the same.

Employees have the option of either reaching out the Human Resource Management Team directly or they can also raise their concerns anonymously through a grievance register placed at each of our operating locations.

The Human Resource Team acts on all concerns immediately and identifies the root cause and corrective action within 10 days of receipt of complaint.

Ensuring a safe workspace

Employee health and safety is of prime importance within our overall corporate strategy. We provide the necessary support to our employees to help them abide by safety protocols and standards. We work towards management of all our operations in an exemplary manner to ensure that we can provide a safe space for all employees to work and grow.

All employees are given strong technical and on the job training to ensure they are well versed with our safety protocols.

Employees are consistently made aware of good safety practices through regular email alerts and awareness generating posters across our operating locations.

For the next financial year, we also plan on conducting mental health awareness sessions and provide facilities for employees to access such services as per need. All our employees and contractual workers are covered either under the Employee State Insurance (ESI) or private medical insurance.

Key opportunities like World Yoga Day, World Cancer Day etc. are leveraged to improve awareness of our people about better practices for overall wellbeing.

Customer Centricity

At Nureca, we believe it is of utmost importance to value our customer's interests and ensure that our product's quality and standards meets commercial benchmarks.

We believe that an individual approach is instrumental in fulfilling requirements put forward by our clients and pay thorough attention to ensure that our products are in line with the necessary norms and regulations.

Customer Relationship Management

We are committed to privacy compliant operations. With due consent of our customers, we collect basic 'Know

Your Customer' (KYC) and contact details, which include the name, phone number, and addresses of our clients. Furthermore, telephonic queries and complaints by our clients are recorded for quality purposes to ensure optimum grade of service provision.

These data archives are stored on trusted and secured third party platforms that provide limited access to only the higher management and customer support departments. Additionally, selective access is provided to certain teams such as the Quality and Maintenance management depending upon relevant business requirements.

Data privacy is a matter of utmost importance for us, and, there have been no complaints over customer data privacy for the reporting year. It has been our aim to utilize customer responses and to align our business practices in accordance to the responses.

After sale of our products, our clients receive a feedback link that leads to the review section on various search engines and social media platforms. Our customers can also get in touch through our helpline number or through our official website. We have effectively dealt with cases that involve complete replacement or return of a product in view for our commitment towards high product standards and customer satisfaction. In special cases, our clients have also been compensated with complementary offerings to improve our customer relationship.

We have not received any complaints regarding health and safety issues of our products. Furthermore, our product packaging comes with a QR code link redirecting the user to a website showcasing demo videos as a guide to make sure that our products are more usable.

"We believe that an individual approach is necessary to fulfill any requirements put forward by our clients and pay thorough attention to make sure that our products meet the necessary norms and regulations."

Corporate Social Responsibility

As a responsible corporate citizen, Nureca focusses on community development through its CSR interventions. This is in line with the applicable regulations as per the Companies Act and the Schedule VII provisions.

CSR Committee

As per the CSR Policy, the CSR Committee of Nureca, consists of three members and at least one independent director. The CSR committee is involved in developing and recommending appropriate CSR activities to the Board of Directors, along with financial recommendations of their activities. The CSR committee also monitors and evaluates the projects undertaken by Nureca, suggests recommendations, and also work towards aligning Nureca's CSR Policy with the mission and vision of the organization. The board of directors consists of 7 members and 5 independent directors, who further approve or reject decisions and recommendations proposed by the CSR Team. Once approval is received, the committee nominates the members to implement those decisions and recommendations.

Our interventions

We have contributed towards the thematic area of Healthcare through the distribution of medicinal aid to hospitals for the underprivileged children at Chandigarh Tricity. These medicines were distributed through the help of the implementing partner- Competent Foundation. The initiative began with the purpose to provide general aid to the underprivileged. However, due to the unprecedented circumstances caused by the COVID-19 pandemic, these efforts were further directed towards meeting the pandemic-related medicinal needs of the community.

Total CSR investment for the reporting year amounted to INR 7 lakhs. Currently, our efforts are catered towards the Tricity region of Chandigarh, that comprises sections of Mohali, Panchkula, and Chandigarh.



The rationale for contributing in these regions is due to the presence of our Corporate Office. In FY 21-22, the Nureca Limited plans to increase its outreach through its initiatives in different regions of India, with the help of non-profit foundations and organizations as an implementing partner. "Nureca also plans to contribute and focus in the sectors of Education, Skill Development, and other relevant areas as per the CSR Policy."

Managing business continuity during COVID-19 pandemic

Alignment of business with social needs

We were quick to respond to COVID -19 pandemic and emerging Govt. regulations around social distancing, face covering, vaccinations etc. As a leading company selling pulse oximeters in India, it was vital that we are being able to continue our operations. We swiftly transitioned our entire workforce into work from home model during Government lock-down mandates.

We followed an organised approach to ensure a smooth transition to work from home model for all our stakeholders during the lockdown months. We communicated all guidelines and tasks to be performed in an efficient manner to ensure employees could continue fulfilling their duties efficiently while working from home.

Ensuring safety and well-being for our people

We also ensured that all employees had access to basic resources for work to ensure the transition of the work environment was as smooth as possible. Our Human Resources department constantly tracked the status of our employees and their family's health and ensured that employees could maintain a healthy work life balance during the work from home period.

At times, whenever our people worked out of office, we took several safety precautions and sanitisation measures to ensure that our employees were safe during the COVID-19 pandemic. Several measures including temperature checks, multiple hand sanitization stations, mask mandates, posters with safety regulations for COVID-19 were undertaken in the office and warehouse space.

Nureca funded the entire cost of COVID vaccination for 100% of its employees.

Social responsibility during COVID-19

We remain committed to our corporate social responsibility and will continue to give back to the community. Recognising that the pandemic has significantly impacted livelihoods, we have actively contributed to the social needs of the communities in which we operate in various ways.





BUSSINESS RESPONSIBILITY

report

At Nureca Limited Sustainability is viewed as an Environmental and Social responsibility, which allows to deliver on expectations. This report conforms to the Business Responsibility Reporting (BRR) requirement of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and the National Voluntary guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, India. The Directors present the Business Responsibility Report of the Company for the financial year ended on March 31, 2021.

Section A: General information about the Company

1	Corporate Identity Number (CIN) of the Company	L24304MH2016PLC320868
2	Name of the Company	NURECA LIMITED ('NURECA' or 'Company')
3	Registered Address	128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E Mumbai City MH 400063 IN
4	Website	www.nureca.com
5	E-MAIL ID	cs@nureca.com
6	Financial Year Reported	April 2020 To March 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Company is engaged in Healthcare/Consumer goods and Medical Equipment's and Supplies. (NIC Code – 869 “ Other human health activities” , as described under National Industrial Classification for India 2008
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Key Products of our company are Chronic Device Products ,Orthopedic Products, Mother and Child Products, Nutrition Supplements and Lifestyle Products
9	Locations (Provide details of major 5 number of locations where business activity is undertaken by the Company)(a)Number of International (b)Number of National Locations	- Registered Office-128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E Mumbai Mumbai City MH 400063 IN - Godown-Khasra No. 19/9/1, Khata No. 884/913, Pabhat Godown Area, village Pabhat, Zirakpur, Punjab-140603 - Factory Location-Plot no. 110, Industrial Area, Phase-1, Chandigarh-160002 - Corporate Office-SCO-6-7-8, 1st Floor, Sector 9 D, Chandigarh-160009 - Plot No. 110, Industrial Area, Phase 1, Mohali (Punjab)-160055
10	Markets served by the Company –Local/ State/ National/ International	We serve all the markets be it local, national or international.

Section B: Financial details of the company (as on 31 march 2021)

Paid-up Capital	INR 10,00,01,750/-
Total turnover (sale of products)	INR 2133.31 Million
Profit after taxes	INR 465.34 Million

Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) and List of activities in which expenditure on CSR has been incurred and total spending as a percentage of profits after tax:

The company has spent more than required towards Corporate Social Responsibility (CSR), being 2% of the average net profits for previous three years, computed as prescribed under the Companies Act, 2013 ("the Act") on

health care, including preventive health care and wellness. Annual Report on CSR activities is attached to the Directors' Report.

Section C: Other Details

The Company is in the business of Healthcare Supplies and Medical Equipment. It has 2 wholly owned subsidiaries across India- Nureca Technologies Private Limited and Nureca Healthcare Private Limited, and 1 in USA, namely- Nureca Inc, USA The separate audited/ unaudited financial statements in respect of each of the wholly owned subsidiary companies are also available on the website of our company at- www.nureca.com. The subsidiary companies' Business Responsibility (BR) initiatives are aligned with those of the company.



Section D: BR information

1. Details of Director responsible for BR:

a) Details of the Director responsible for implementation of the BR Policy / Policies:

Sr. No.	Particulars	Details
1	DIN	00136037
2	Name	Mr. Saurabh Goyal
3	Designation	Managing Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN [if applicable]	NA
2	Name	Mr. Nishant Garg
3	Designation	Chief Financial Officer
4	Telephone Number	+91-172-5292900
5	E-mail ID	Nishant.garg@nureca.com

c) Principle wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of 'Business Responsibility' which are as follows:

Principle 1: (P1) Business should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2: (P2) Businesses should provide goods and services that are safe and contribute towards sustainability throughout their life cycle.

Principle 3: (P3) Businesses should promote the well-being of all employees.

Principle 4: (P4) Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: (P5) Businesses should respect and promote human rights.

Principle 6: (P6) Business should respect, protect and make efforts to restore the environment.

Principle 7: (P7) Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: (P8) Businesses should support inclusive growth and equitable development.

Principle 9: (P9) Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2. Principle wise (as per NVGs) BR Policy/policies

a) Details of compliance [Reply in Y/N]:

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Yes	Yes	Yes	Yes	we comply with all the statutory requirements.	Yes	N.A	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders.	Yes	Yes	Yes	Yes		Yes	N.A	Yes	Yes
3	Does the policy conform to any national/international standards? If yes, specify?	The policies are drafted in line with the provisions of the respective extant laws of India								

4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies are approved by the functional heads, and a few of them have been adopted by the Board.
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	While a few of the policies mandate requirement of a Board Committee, the rest of them are monitored by the management team.
6	Indicate the link for the policy to be viewed online.	Link to the policies, which are available on the website at https://nureca.com/investor-relations/ . However, some policies are not placed at the website for the sake of privacy of dealing with stakeholders.
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the company engage the stakeholder in implementation of the policies.
8	Does the company have in-house structure to implement the policy/policies?	Yes, the policies are commensurate with the size of the organisation
9	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Yes, the company engage the stakeholder in implementation of the policies.
10	Does the company have in-house structure to implement the policy/policies?	The company has internal mechanism to evaluate the policies. However, no independent audit has been carried out by any external agency.

b) If answer to the questions at serial number 1 against any principle, is "No", please explain why:

N.A.

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

The Board of Directors reviewed and will continue to review BR performance on an annual basis.

b) Does the Company publish BR or sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Report is form and part of Annual Report which is posted on the Company's website- www.nureca.com. It is published annually

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

The Company firmly believes and adheres to transparent, fair, and ethical governance practices. The Board of Directors has approved a Code of Business Conduct and Ethics, which is applicable to all Board Members and senior management of the Company. This is reviewed and reported annually.

The company also has a Whistle Blower Policy approved by the Board and is applicable to all employees of the Company.

Details relating to shareholders' complaints are provided in Corporate Governance Report, which is a part of this Annual Report. However, there was no stakeholder complaint during the reporting period with regard to ethics, bribery and corruption.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company is engaged in the business of Healthcare Supplies and Medical Equipment. The key products of the company are Chronic Device Products, Orthopedic Products, Mother and Child Products, Nutrition Supplements and Lifestyle Products. The company has moved to fully plastic free packaging aspects that contributes to sustainability.

Principle 3: Businesses should promote the well-being of all employees

I. Please indicate the total number of employees and the number of contractual employees, women employees and permanent employees with disabilities:

The Company does not discriminate among existing employees or during the process of recruitment on the grounds of religion, race, colour, gender, and disability. The Company provides equal opportunities to all employees.

- Total number of employees hired on temporary /contractual/casual basis are 80
- The Company has a total of 20 permanent women employees.
- The Company has no Permanent employee with disabilities.

ii. The Company has not received any complaint relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year.

iii. The permanent and contractual employees at the Company's manufacturing site, Research and Development Centre and other corporate offices are provided training on relevant Environment, Health and Safety aspects.

Further, all other employees are given soft skill up-gradation training to improve their skills as may be relevant to the respective functions. 100% employees were imparted training for skill development, Environment, Health and Safety (EHS), etc.

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1) Has the company mapped its internal and external stakeholders?

The Company has mapped its internal and external stakeholders.

2) Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, The Company has identified disadvantaged, vulnerable, and marginalized stakeholders. The Senior Management of the Company also devotes their time and resources to various agencies involved in education and health arena as a part of its Corporate Social Responsibility which is also a part of the Annual Report.

3) Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has identified its internal and external stakeholders and endeavours to maintain healthy relationship with these stakeholders which allows active participation and collaboration where possible.

Principle 5: Businesses should respect and promote human rights

1) Does the policy of the company on human rights cover only the company or extend to the group/joint ventures/suppliers/ contractors/NGOs/others?

The company is committed to promote human rights and adheres to the same in spirit and deed.

2) How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We did not receive any complaints in the last financial year.

3) The company has made the Anti Sexual Harassment Policy for all individuals working for Nureca at all levels and grades, including senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, staff, casual workers, interns. As per policy any aggrieved woman employee who feels and is being sexually harassed directly or indirectly may make a complaint of the alleged incident to any member of the Committee constituted for this purpose. No complaint has been received during the year in this regard.

Principle 6: Business should respect, protect, and make efforts to restore environment

The Company is committed towards conservation of the environment and compliance with all requirements related to Environment, Health and Safety [EHS]. We have been looking at these initiatives beyond statutory compliance with a focus on the 4 Rs-Reduce, Reuse, Recycle and Recover for valuable resources.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1) Is your company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:

Our company is a member of some trade associations, major associations is -

1) PHD, Chamber of Commerce and Industry

2) Have you advocated/lobbied through above associations for the advancement or improvement of public good?

N.A

Principle 8: Businesses should support inclusive growth and equitable development

In line with its CSR policy, the Company has contributed towards energy conservation, education, health care and social outreach programs and a majority of its CSR spending in the previous financial year has been in these areas. A report in the prescribed format on CSR activities carried out by the Company forms a part of this Annual Report.

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

- There were 53 customer complaints received in the reporting period. Out of which 05 complaints are pending as on the end of the financial year. There are no cases filed by any customer or consumer against the Company as at the end of Financial Year 2020-21.
- Wherever applicable, the Company displays all product information on the product label for the use of the products by the consumers.
- The Company shall never engage in any unfair trading practices, irresponsible advertising or anti-competitive behaviour.
- No consumer surveys were conducted by us as we are a B2C company majorly.

For and on behalf of the Board of Directors
of **Nureca Limited**

(Saurabh Goyal)

Chairperson & Managing Director

Place: Chandigarh

Date: June 16, 2021



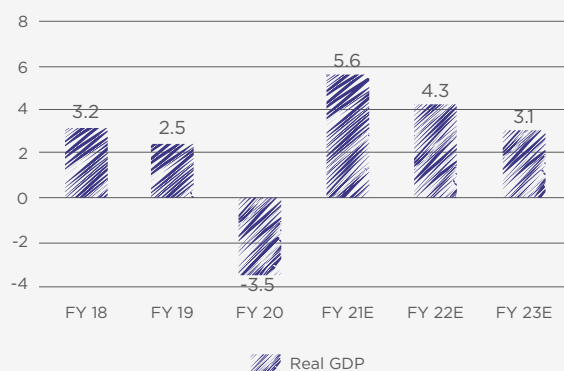
Global economy

While the ongoing pandemic continues to outline the path for global economic activity, severe outbreaks weigh on growth in many countries. The most recent wave of the COVID-19 pandemic is now centred in some emerging markets and developing economies (EMDEs), where more transmissible and virulent strains are spreading, and vaccine access is limited. In contrast, advanced economies have generally seen substantial vaccination progress, thereby restraining the spread of the virus.

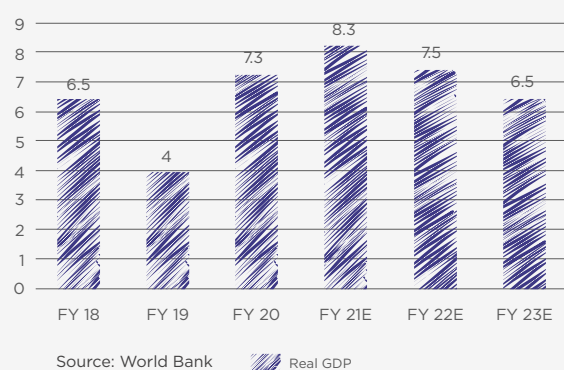
Following a 3.5 percent contraction caused by the pandemic in 2020, the global economic activity gained significant momentum. That said, it still remains well below pre-pandemic projections. Economic recovery still remains uneven, passing over many developing countries, with considerable uncertainty about its stability.

Considering these external circumstances, the global output growth is projected to strengthen to 5.6 percent in 2021 — its strongest post-recession pace in 80 years. The recovery is fortified by steady but highly uneven global vaccination and the associated gradual relaxation of pandemic-control measures in many countries, coupled with rising confidence.

World Bank — global GDP growth projection



World Bank — global GDP growth projection





Indian economy

India witnessed one of the largest outbreaks of the second wave of the pandemic. After degrowing by 7.3 percent in 2020, India's GDP growth is expected to rebound and grow by 8.3 percent in 2021. The enormous second wave of COVID-19 undermined the sharper-than-expected rebound in activity seen during the second half of FY21, especially in services. With surging cases, traffic around work and retail spaces has again slowed to more than one-third below pre-pandemic levels since March, in part due to stronger restrictions on mobility.

The country observed a substantial policy shift in the FY 2021-22 Budget as the Government declared revisions in health-related spending (to double) while setting out an altered medium-term fiscal path intended to address the economic legacy of the pandemic. Following deteriorating pandemic-related developments, the Reserve Bank of India announced additional measures to support liquidity provisions to micro, small, and medium firms and loosened regulatory requirements on the provisioning for non performing loans.

With the policy boost from the Government and central bank, India's GDP is expected to rebound, and economic activity is likely to benefit from higher spending on infrastructure, rural development, health, and a stronger-than-expected recovery in services and manufacturing. While the fall and subsequent recovery of economic activity post the second wave is expected to witness a similar trend, it will be far less pronounced compared to the first wave. The next normal scenario will undermine consumption and investment as confidence remains depressed and balance sheets damaged. Growth in 2022 is expected to slow to 7.5 percent reflecting lingering impacts of COVID-19 on household, corporate, and bank balance sheets, possibly low levels of consumer confidence, and heightened uncertainty on job and income prospects.



Global home healthcare industry

The global home healthcare market size is projected to reach USD274.7 billion by 2025 from USD181.9 billion in 2020, at a CAGR of 8.6 percent during the forecast period. This rapid growth is projected given the rise in elderly population and the increasing incidence of chronic diseases, growing need for cost-effective healthcare delivery due to swelling healthcare costs, and technological advancements in home care devices. On the flip side, changing reimbursement policies, limited insurance coverage, and concerns regarding patient safety are factors limiting the growth of the market to a certain extent. The growing popularity of telehealth and untapped

developing regions present significant growth opportunities for players in the home healthcare market.

The global home healthcare market is segmented into cancer, respiratory diseases, mobility disorders, cardiovascular diseases and hypertension, pregnancy, wound care, diabetes, hearing disorders, and other indications. The diabetes segment is expected to grow at the highest CAGR during the forecast period. Monitoring blood sugar at home helps arrive at an overall treatment plan and aids in better management of the medications for blood sugar, diet, and exercise.

Source: Marketsandmarkets.com



Untapped developing regions:

Home healthcare is established in the developed Markets. Policies and regulations supporting the home healthcare market in these developed regions have led to rapid adoption, but the developed markets are reaching the saturation level now and players are now looking at developing countries. The concept of home healthcare in many developing countries is still in the early phase and the players are planning to capitalize on the opportunities in these markets.

COVID-19 impact on the home healthcare market

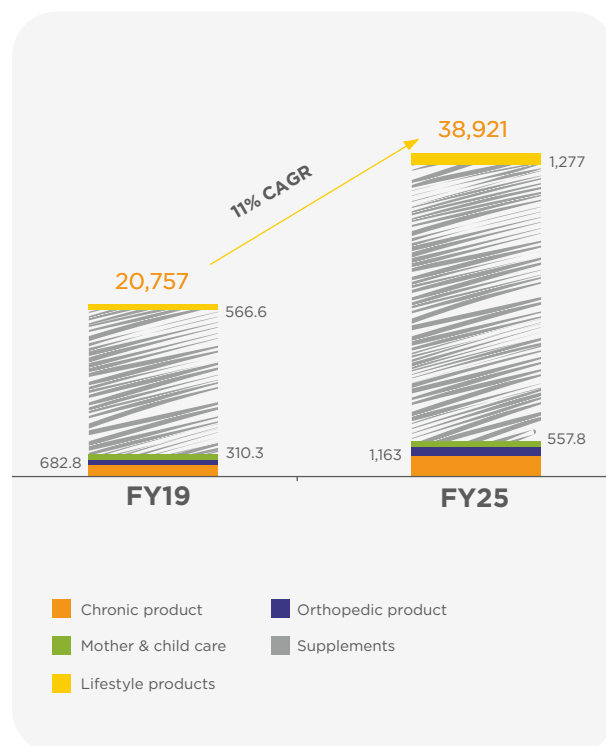
The pandemic had a mixed impact on the home healthcare market. COVID-19 positively impacted home healthcare monitoring products such as blood glucose monitors, blood pressure monitors, pulse oximeters, and temperature monitors, etc. Products part of the home healthcare industry boomed during the pandemic, but the services part saw some negative impact. This downturn in the home healthcare services industry is predicted to be for a while and business is expected to pick up at a faster pace in the coming future.

(Source: Marketsandmarkets.com)

Home healthcare industry in India and neighboring countries

Home healthcare market in India and neighboring countries is estimated at INR20,757.0 crore in 2019 and expected to grow at a CAGR 11 percent to reach INR38,920.7 crore by 2025. India alone accounts for approximately 95 percent of the total market.

The overall growth is driven by rising awareness of health and wellness, increasing spending power, growing burden of chronic diseases, and the need for healthcare stakeholders to reduce healthcare costs. The home healthcare market also faces restraints in terms of an extremely fragmented market and the consequent pricing pressures across most segments. Additionally, many patients are used to the traditional physician and institution-based therapy restricting the growth of home healthcare. But attitudes are slowly changing because of increased awareness and changing lifestyle and will provide impetus to the market in the long term.

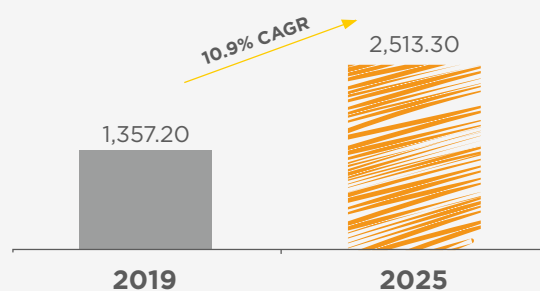


Source: Frost & Sullivan

Chronic disease products market for India and neighboring countries

The COVID-19 pandemic has been a major driver for the chronic disease products market, with an estimated 28 percent growth in revenues in 2020. The WHO as well as ICMR (India) have recommended safety measures and guidelines for home quarantine, including regular monitoring of key body parameters. Devices like oxygen concentrators, cylinders, humidifiers, steamers, nebulizers have also shown increasing sales as these are direct interventions during the management of symptomatic COVID-19 patients.

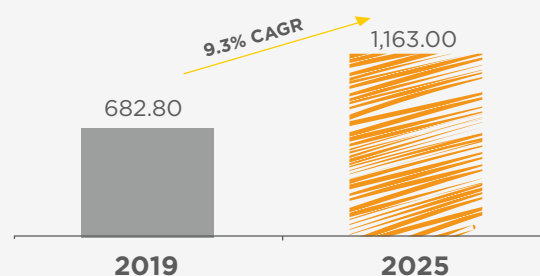
Increasing chronic diseases' contribution to the deaths, higher spending power, and availability of affordable healthcare products is driving the demand for chronic disease management products at home. The Indian chronic disease products market is expected to grow at a CAGR of 10.9 percent between 2019 and 2025.



Source: Frost & Sullivan

Orthopedic products market of India and neighboring countries

The growth in orthopedic products market is primarily driven by the increasing incidence of chronic diseases, increasing accidents, rising geriatric population, and increasing awareness of therapy. Home orthopedic rehabilitation and physiotherapy products are geared towards the rehabilitation process that can be undertaken at home with the aim to bring back appropriate function in patients where there may be loss of function due to a physical or physiological injury. The orthopedic products market in India and neighboring countries was estimated at INR682.8 crore in 2019 and anticipated to grow at a CAGR 9.3 percent to reach INR1,162.9 crore by 2025. India forms over 90 percent of the market and is growing at CAGR 9.4 percent between 2020-2025. 10.9 percent between 2019 and 2025.



Source: Frost & Sullivan

Nutraceuticals market in India

The overall nutraceuticals market (includes dietary supplements, whey proteins & mass gainers, immunity boosters, ACV gummies, collagen peptides) was valued at approximately INR17,840 crore in 2019 and is estimated to be worth approximately INR19,800 crore in 2020. This is expected to grow to INR33,368.2 crore by the year 2025. Rising spending power and increased nutritional awareness are likely to propel significant growth over the next five years.

Newer or novel formats such as gummies, candies and dispersibles are witnessing an uptake in adoption in the market. Functional food formats such as beverages and biscuits are also seeing great traction amongst consumers.

Soft-gel tablets are expected to outstrip the growth of regular tablets and capsules in the near future. Weight wellness, joint health, diabetic care, and digestive health will be the key growth areas in the next decade, and players are expected to tailor their offerings around these categories in the nutraceuticals space, which will drive the market. Demand for nutritional supplements has gone up, particularly during COVID-19. Consumer awareness about improving immunity has been a crucial factor in boosting sales of nutritional supplements during this time.

As nutraceuticals are a part of the preventive healthcare market, we, at Nureca, plan to explore this high growth market that complements our existing product portfolio and is a move towards building a digital ecosystem.

Indian economic growth coupled with demographic dividend:

Today, India houses the youngest population in the world. This demographic dividend if skilled and channeled correctly is expected to play a major role in bolstering economic growth of India. Economic growth will continue to the trend of rising per capita income which leads to better standard of living. Better standard of living brings the living experience of a comfort, but it also brings with it various lifestyle related diseases which are chronic in nature and are expensive as well.

India is also expected to witness higher number of people above age 50. Population is expected to grow from 18% of the overall population in 2019 to 23% in 2030. The elderly population are highly susceptible to become a multi-morbidity patient.

Table 1-1 Comparison of India today and in 2030

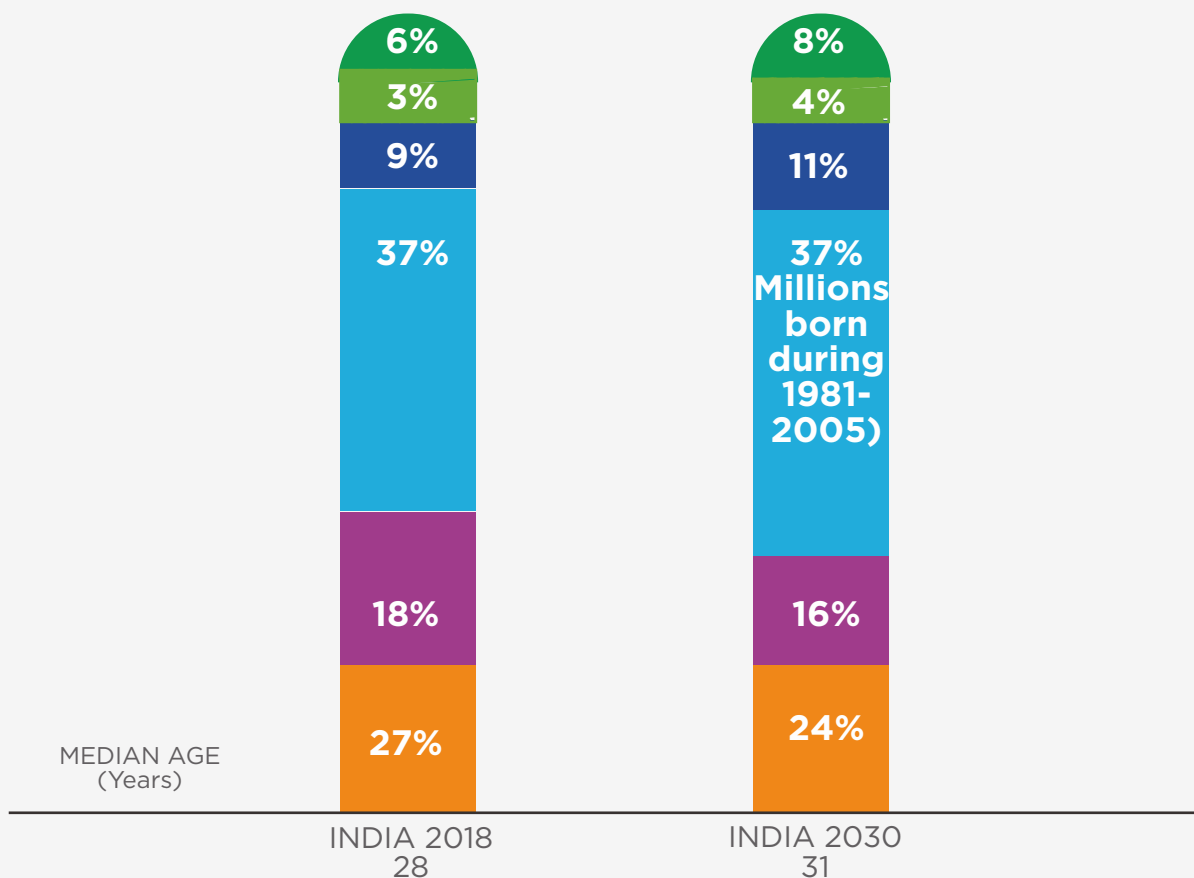
Parameters	India in 2019	India in 2030
GDP	USD 2.6 trillion	India in 2030
GDP/ Capita	USD 1,336	USD 5,625
Population	1.3 billion	1.5 billion
Share of Urban Population	33.6%	38.5%
Jobs created for every 1% GDP Growth	750,000	1,000,000
Median Age	27.0	31.4
Workforce	Dominated by gen-x1 and Gen-y2	31.4

Exchange rate as on Q2 2019, INR per USD -69.55

Source: Government of India (Gal), Q2 2019; Federation of Indian Chambers of Commerce and industry (FICCI), 2018; United Nations Development Programme (UNDP), Wordometers, Q2 2019; CBRE Research, Q2 2019

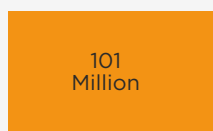
Born between 1960 to 1979 | Born between 1980 to 1994 |
Born between 1995 to 2015 | FICCI

Figure 1-3 Population by Age Group



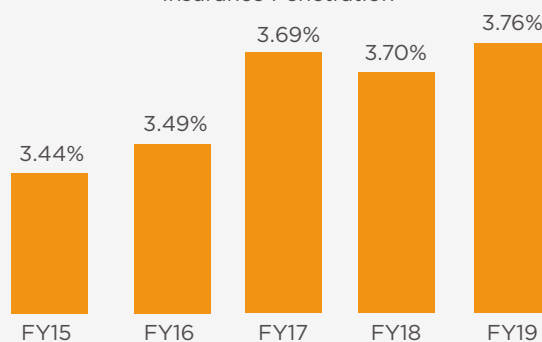
Source: World Economic Forum, 2018; CBRE Research, Q2 2019

India has one of the highest diabetes patients in the world



Source IDF Diabetes Atlas

Increasing Healthcare awareness is very much visible with higher insurance penetration in India



Source: IRDA Annual Report

Source: CBRE Research, IDF Diabetes Atlas, IRDA Annual Report

One of the prominent lifestyle related illness is Diabetes. India is home to the second largest number (77 million) of adults with diabetes worldwide. This is expected to worsen in coming years as we continue to grow. One positive trend which have been observed is the rising awareness related to lifestyle diseases and proactive Gen-Zers are now buying insurance and moving towards preventive healthcare to keep a tab on themselves and their family's fitness and wellness.

MAJOR TRENDS IN THE HOME HEALTH INDUSTRY IN INDIA

Moving from curative to preventive market

According to Japanese daily Nippon Times, the average life expectancy in Japan in 2019 was 87.45 years for women and 81.41 years for men. The latest World Health Organization report in 2019 put Japan's average life expectancy at birth at 83.7 years (86.8 years for women and 80.5 years for men). Compare that with the global average male life expectancy which stands at 69.1 years. The same for Indians is 69.16 years. The secret of long life in Japan is often considered as the combination of diet, policy, exercise, cultural factors and genetics - with no single cause running away with the credits.

While the pandemic has been devastating in its impact, its biggest positive outcome has been the rising awareness around health and wellness in India. Directly impacting how the Indian consumer behaves, COVID-19 and subsequent lockdown restrictions have thrust the preventive healthcare and home care narrative forward. This is highly apparent in the increased demand for home healthcare monitoring and wellness products across diverse groups of the population. While many patients in India are used to the traditional physician and institution-based treatment, their attitudes have begun to shift in favor of virtual, contact-free platforms.

Similarly, there has been a greater move towards do-it-yourself, easy-to-use solutions catering to diverse groups including the elderly. During the pandemic, more consumers resorted to online platforms for buying home health devices as these are direct interventions to manage symptomatic COVID-19 patients. For example, the increasing incidence of hypertension has necessitated regular monitoring, which has led to people demanding for home monitoring devices more than before.

As the youngest country in the world, India has over 370 million Gen Zers (born between 1994-2008) — they are digitally savvy and are more conscious about their health and, therefore, prefer preventive to curative measures.

Millennials and Gen Zers are expected to drive the transition from curative market to preventive market. In the urban area this trend is expected to further move from Preventive to pre-diagnostic.

As India's healthcare sector is on the verge of a massive shift from curative to preventive, Nureca's forward-looking business outlook is developed from strategies to make a positive impact on the lifestyle and health of our consumers, and eventually foster their longevity.

Remote patient monitoring and Telehealth

The value of remote patient monitoring systems (RPM) along with telehealth has been proven in great measure during the pandemic wherein they helped overcome its challenges while improving delivery and access to affordable healthcare in India. Likewise, RPM offers caregivers/ doctors a wide range of advantages such as maintaining detailed records, scheduling appointments, and monitoring and alerting patients round the clock - all carried out remotely.

RPM is enabled by consumer-friendly products built on advanced technologies. The familiarity of using smartphones and tablets has made it easier for patients across the globe to employ technology similarly for managing their own health. Telehealth facilitates RPM through cell phone/ video/ IVR conferencing between patients and doctors thus making healthcare available from anywhere and on the move.

By making healthcare delivery contact-free and reducing the burden on crowded hospitals, clinics, and emergency rooms, especially during the ongoing COVID-19 pandemic, RPM offered a serious and sustainable alternative to traditional practices in India and can prove transformational in the future.

Remote patient monitoring enables the collection and monitoring of patient data in their home or remote settings rather than a traditional physical setting like a clinic or hospital.

Source: Business Line

Curative



Preventive



Pre-Diagnostic

eCommerce adoption in India's home health market

In 2019, eCommerce adoption in India's home health market was at an impressive 25.3 percent with the demand for convenient, quality products growing exponentially. This has led to other providers scrambling to adapt to a vast digital world.

This adoption was driven by increasing awareness and growing internet access through smartphones and other gadgets. Government initiatives like Digital India introduced citizens to online modes of commerce. Companies such as Flipkart and Amazon India offered easy access and the convenience of delivering medical supplies to the patients' doorstep.

During the pandemic and after, the flexibility of buying medical products and nutritional supplements online that intensified during lockdown restrictions, has propelled eCommerce adoption. With increasing awareness and comfort with technology, sustained adoption of eCommerce in the home health market is set to cross 50 percent by 2025.

Source: Frost & Sullivan



Growth drivers for Indian home health market

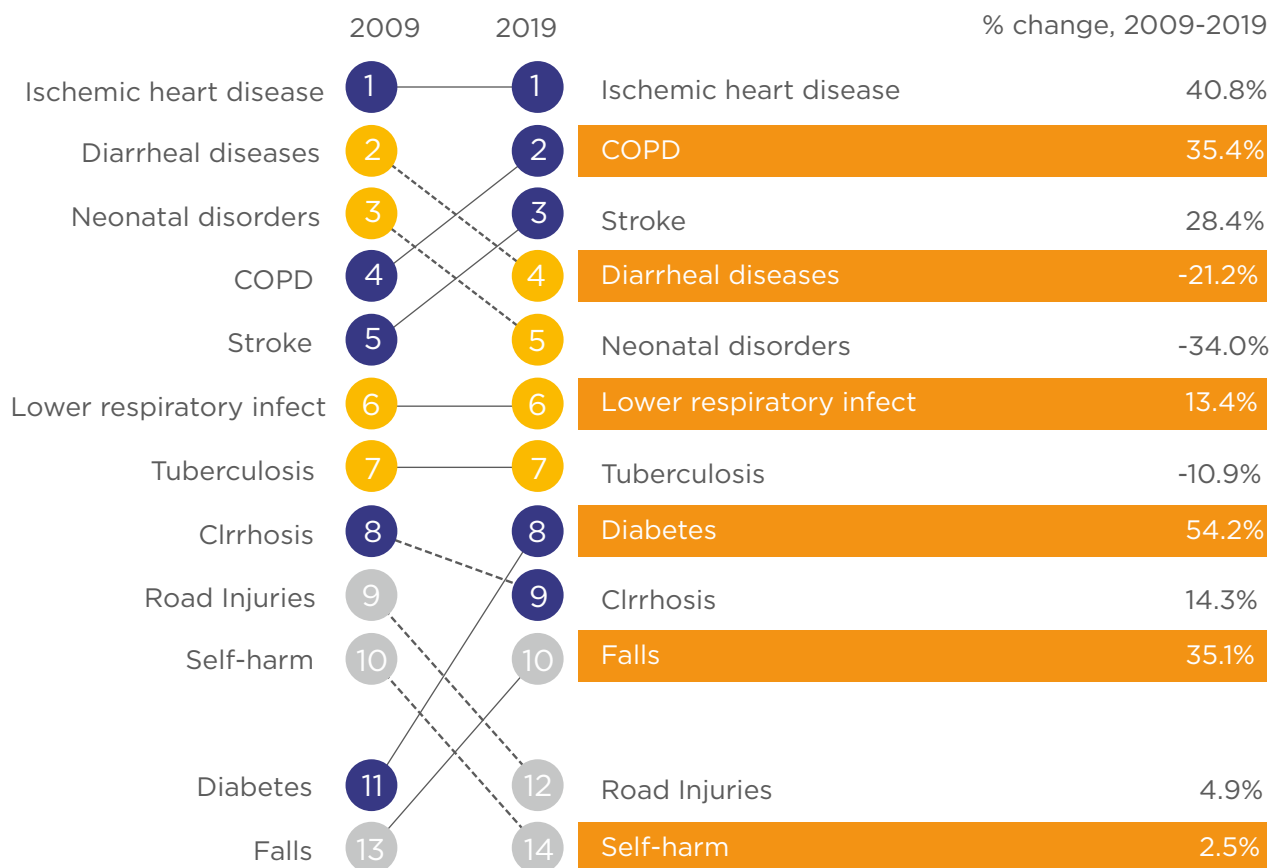
• Increase in geriatric population

Geriatric population is on the rise and is expected to reach 12.5 percent of the total population by 2026. Two in every three senior citizens in India suffer from some chronic disease, according to the first Longitudinal Ageing Study in India (LASI) released by the Union Ministry of Family and Health Welfare in early 2020. Around 23 percent of the elderly population (age 60 years and above) have multi-morbidities. This age group has a higher prevalence of chronic diseases such as cancer, coronary ailments, respiratory illnesses, and requires regular healthcare monitoring.

• Rise in chronic and lifestyle diseases in India

India has one of the highest numbers of diabetics in the world. From 77 million in 2019, the number is expected to reach 101 million in 2030, according to the IDF Diabetes Atlas. India is also considered the chronic obstructive pulmonary disease (COPD) capital of the world. Home health devices provide a viable alternative for monitoring chronic illnesses while saving expenditure by the patients for availing services at a healthcare center.

- Communicable, maternal, neonatal, and nutritional diseases
- Non-communicable diseases
- Injuries



- **Rising awareness and healthcare consumerism**

There is an increased focus on preventive care. Patients have become smart consumers who do not want to be constrained by time, place, and commute. This has led to increase in the adoption of home health devices.

- **Focus of reducing hospital-induced infections**

Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections.

- **COVID-19 push towards home health**

With the raging COVID-19 pandemic, fear of infection pushed people towards virtual visits and home health products where hospitalization was not necessary (for example, digital blood pressure monitors, nebulizers, thermometers).

- **Cost optimization pressures for healthcare providers**

Healthcare providers aim to discharge patients early with the home health devices supporting monitoring.

- **Advances in home health technology**

Advancement in technology resulting in affordable monitoring solutions without compromising on quality and accuracy, has enhanced the home healthcare market, and led to a higher level of independence for patients.

Growth impediments for Indian home health market

- **Fragmented and unorganized market**

The home healthcare market in India is highly fragmented with the proliferation of local companies constituting a large unorganized sector. Lax regulations and poor compliance in the unorganized sector has led to flooding of poor quality of products in the market.

- **Uncertainty about the accuracy of results**

Home health products, even those from reputed companies, are considered consumer grade (not hospital grade), leading to concerns regarding accuracy measures about the product. Clinicians are also often deterred from participating or recommending home healthcare products due to concerns about the accuracy of measurement, dose delivery, and risk of self-medication by patients.

- **Lack of insurance coverage for home health**

In India, insurance coverage is for 24 hours hospital stay and day-care procedures. Some of the new insurance offerings include OPD and diagnostics but have high premiums. There is no policy that covers home healthcare treatment.

- **Lack of education**

Lack of education among patients and family caregivers is a major barrier to effective training required for home healthcare products.



Source: Company Data, Frost & Sullivan





Looking beyond the horizon

We plan to grow our product range, expand our reach, and use newer ways of marketing to reach our customers.

• Adding products and categories

- ✓ Strong focus on connected devices for remote patient monitoring
- ✓ Expansion into supplement and nutrition categories
- ✓ Creation of a pipeline of innovative healthcare and wellness products
- ✓ A strong customer base for cross-selling different products

• Offline expansion

- ✓ Increased tie-ups with modern retail brands, pharmacy chains, hospital chains, and leading electronics chains

• Offline expansion

- ✓ Increased online and offline advertising
- ✓ Increased influencer marketing
- ✓ Use of data analytics and artificial intelligence for higher conversions

Our vision is to have a connected devices ecosystem, which will leverage data science capabilities to empower more people living with chronic and lifestyle diseases to live better and healthier lives. Employing technology to analyze clinical data and applying iterative insights on lifestyles, we aim to deliver a more personalized care experience to our consumers.



BUSINESS OVERVIEW

About Nureca

Nureca Limited, is a leading healthcare and wellness company with a product range of over 140 SKUs across different categories. Nureca's flagship brand is Dr Trust®. Our products comply with USFDA, European CE, ROHS and ISO standards and the company has more than 100 design patents.

Nureca is a digital first. B2C company and sells through all major ecommerce channels and our

website <https://drtrust.in/> Dr Trust® is a pioneer in health and wellness with patented technologies and innovative solutions, helping users monitor chronic ailments. The company is committed to creating products that support diagnosis, treatment, and prevention of illness through monitoring and analysis of health data.





FINANCIAL PERFORMANCE REVIEW

Key highlights for the year

GMV for the year was at INR2,994 million as compared to INR1,281 million in FY20, an increase of 134%

EBITDA was INR643.6 million as compared to INR97.6 million in FY20, an increase of 559.7%

EBITDA margin stood at 29.8% as against 9.8% in FY20, margin expansion of 19.95 basis points

PAT stood at INR463.7 million as compared to INR64.0 million in FY20, a growth of 625.1%

As per government policy, some of our key products came under drug license, and sales was impacted until license was obtained, leading to a dip in Q4FY21 revenue

Higher employee cost was on the back of new recruitment in H2FY21 and yearly performance appraisal

Higher advertisement cost in H2FY21 was a result of higher advertising in the festive season

EBITDA margins expansion was a result of operating leverage kicking in; because of COVID-19, fewer discounts were offered in H1 leading to higher margins

Product pipeline

- SKUs launched till FY21 — 142
- Pipeline for FY22 — over 60

In FY21, Nureca received the prestigious 'Economic Times Best Healthcare

Strong balance sheet with Cash and Cash equivalents of INR127 crore



Analysis of the profit and loss statement

Revenues

Revenue from operations reported a 115% growth from INR. 994.3 Mn in FY 2019-20 to reach INR. 2134.5 Mn in FY 2020-21. Other Income of the Company reported a 4488% growth and accounted for a 1.3% share of the Company's revenues reflecting the Company's dependence on its core business operations.

Expenses:

Total expenses of the Company increased by 69% from INR. 908.8 Mn in FY 2019-20 to INR. 1539.4 Mn in FY 2020-21 primarily due to an increase in cost of goods sold and other expenses due to increase in operations. Cost of goods sold (constitutes 47% of the Company's revenue from operations) increased by 54% from INR. 646 Mn to INR. 994.8 Mn owing to an increase in operations. Other Expenses (constitutes 22% of the Company's revenue from operations) increased by 118% from INR. 219.7 Mn to INR. 478.5 Mn mainly due to increase in operations and higher marketing spend during the year.

Analysis of the Balance Sheet:

Sources of funds

The networth of the Company increased by 992% from INR. 149.3 Mn as on 31st March 2020 to INR. 1631 Mn as on 31st March 2021 owing to accrual of Profits to Reserves by INR. 463.7 Mn and increase in Shares and share premium account by INR. 1050 Mn.

The Company's equity share capital increased following fresh issue of 25,00,175 shares of INR. 10 each through initial public offering. Also, the Company issued 5,00,000 shares of INR. 10 each on private placement basis.

The capital employed by the Company increased 576% from INR. 247.1 Mn as on 31st March 2020 to INR. 1669.8 Mn as on 31st March 2021 owing to increase in Reserves & Surplus and capital infusion. Return on average capital employed, a measurement of returns derived from money invested in the business, increased by 1100 basis points from 56% in FY 2019-20 to 67% in FY 2020-21.

Applications of funds

Cash and cash equivalents and Other bank balances of the Company increased from INR. 0.7 Mn as on 31st March, 2020 to INR. 1266.9 Mn as on 31st March, 2021 owing to accrual of profits and proceeds from the issue of equity shares.

inventories of the Company increased by 124% from INR. 164.3 Mn as on 31st March, 2020 to INR. 367.8 Mn as on 31st March, 2021 owing to increase in operations of the Company.

Working capital management:

Current assets of the Company increased by INR. 1483.7 Mn from INR. 327.5 Mn as on 31st March, 2020 to INR. 1811.2 Mn as on 31st March, 2021.

Mainly, Cash and cash equivalents and Other bank balances of the Company increased by INR. 1266.2 Mn from INR. 0.7 Mn as on 31st March, 2020 to INR. 1266.9 Mn as on 31st March, 2021 owing to accrual of profits and issue of fresh equity shares during the year.

Inventories of the Company increased by INR. 203.5 Mn from INR. 164.3 Mn as on 31st March, 2020 to INR. 367.8 Mn as on 31st March, 2021 owing to increase in operations of the Company.

Current liabilities of the Company increased by INR. 93.7 Mn from INR. 95 Mn as on 31st March, 2020 to INR. 188.7 Mn as on 31st March, 2021.

Margins:

The EBITDA margin of the Company increased significantly by 1995 basis points from 9.8% in FY 2019-20 to 29.8% in FY 2020-21. EBITDA margins expansion was a result of operating leverage kicking in and because of covid, fewer discounts were offered in FY 2020-21 leading to higher margins.

Net profit margin of the Company also increased by 1501 basis points from 6.4% in FY 2019-20 to 21.4% in FY 2020-21

(a) Financial performance with respect to operational performance

The Company's revenue during Financial Year ('FY') 2020-21 stood at INR 2134.54 Million against INR 994.3 Million in the previous year recording an increase of 115%. This inclination is due to increase in sale of products of home healthcare and wellness.

	Fy21	Fy20
EBITDA Margin (%)	29.8%	9.8%
PBT Margin (%)	28.8%	8.7%
PAT Margin (%)	21.4%	6.4%

Details of significant changes in key financial ratios including:

Key Financial ratios	Fy21	Fy20	Change %	
(I) Debtors Turnover	25.7	9.1	181	(Overall Sales/Average Accounts Receivable)
(ii) Inventory Turnover	3.7	4.3	(13)	(Cost of Goods Sold / Average Inventory)
(iii) Interest Coverage Ratio	39.9	12.1	229	(EBIT/Interest)
(iv) Current Ratio	9.6	3.4	178	(Current Assets/ Current Liabilities)
(v) Debt Equity Ratio	0.0	0.6	(97)	(Long Term Debt/ Equity)
(vi) Operating Profit Margin (%)	53.4%	35%	34	(Gross Operating Margin / Net Sale)
(vii) Net Profit Margin (%)	21.4%	6.4%	234	(PAT / Net Sale)

Return on Net worth (PAT/Net Worth)

Fy21	Fy20	Detailed explanation
28.50%	42.82%	The reduction in net profit margin is due to increase in share capital during the year.

Internal Control And Adequacy

A strong internal control culture is an important focus and thrust area in the Company. The Company has comprehensive internal systems, controls and policies for all the major processes to ensure the reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The formalized systems of control facilitate effective compliance as per LODR Regulations. The Company also has well documented Standard Operating Procedures (SOPs) for various function which are periodically reviewed for changes warranted due to business needs.

The Internal Auditors of the Company continuously monitor the efficacy of internal controls/ compliance with SOPs with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

The scope and authority of the Internal Audit activity are well defined in the Internal Audit scope and guidelines, approved by the Audit Committee. Internal Auditors develop a risk based annual audit plan with inputs from major stake holders, and the major focus areas as per previous audit reports.

All significant audit observations are reviewed periodically and follow-up actions thereon are reported to the Audit Committee. The Audit Committee also meet the Company's Statutory Auditors and Internal Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the company.



The top and senior management of the Company also assesses opportunities for improvement in business processes, systems and controls, provides recommendations, designed to add value to the organization and follows up on the implementation of corrective actions and improvements in business processes.

The senior management of the Company meets periodically to assess the performance of business segment and key functions of the Company and areas for improvement of performance / controls are identified and reviewed on continuous basis.

Risk Management

The Risk Management has been explained in Corporate Governance Report including composition of Risk Management Committee, its terms of references etc. The Company has devised the Risk Management Policy and identified the following risks:

Risks Related to our Company and our Industry:

1. We depend on third parties to manufacture our products. If these organizations are unable or unwilling to manufacture our products, or if these organizations fail to comply with FDA or other applicable regulations or otherwise fail to meet our requirements, our business will be harmed.

The Company has well defined agreements with third parties, whom it can legally bound for continuous supply of the material. Further we are not dependent on a few manufacturers. We are constantly looking after various manufacturers and engage with them for a disruption free supply. We have a well qualified team which looks after regulatory compliance protocols at manufacturer level.

2. We depend heavily on our channel partners such as third party e-commerce players, distributors and retailers and failure to manage the distribution network efficiently will adversely affect our performance.

The Company has well defined agreement with third parties, which legally binds them. The Company also has its own website i.e. www.drtrust.in where it has been selling its products as an alternative platform.

3. The availability of look-alikes, counterfeit healthcare devices, primarily in our domestic market, manufactured by other companies and passed off as our products, could adversely affect our goodwill and results of operations.

Nureca's success depends on a dedicated team of IPR Management whose primary task is to ensure that the products which are dealt by the Company are not only non-infringing and also to ensure related compliances by reviewing and monitoring IPR issues continuously

4. We face intense competition and may not be able to keep pace with the rapid technological changes in the health product devices industry.

Nureca has a strong mitigation mechanism for this risk with the strategy to launch differentiated high value products. Further, we keep improving operational efficiencies to rationalize costs, introduction of new products to keep the Company's competitive advantage.

5. We are subject to stringent domestic and foreign applicable regulation and any adverse regulatory action may materially adversely affect our financial condition and business operations.

Company has implemented detailed Standard Operating Procedure (SOP) for every important activity, has a strong Quality Assurance (QA) function, robust IT framework for compliance, monitoring and documentation, etc. for mitigating the regulatory risks.

6. We rely on third-party transportation providers for procurement of healthcare devices and for supply of our products and failure by any of our transportation providers could result in loss in sales.

Company has a dedicated logistics group to handle all requirements relating to movement of healthcare devices as and when necessary with a well defined system of procurement. All the movement of goods is sufficiently covered by marine risk insurance.

The Company in its best endeavours will try to manage risks as described based on the policy devised by the Risk Management Committee and approved by the Board.



(Note: The business of this Meeting may be transacted through electronic voting system)

NOTICE is hereby given that the Fifth Annual General Meeting of NURECA LIMITED will be held on Wednesday, September 29, 2021 at 09.15 A.M. through Video Conferencing ("VC")/Other Audio-Visual means ("OAVM"), to transact the following business:-

Ordinary Business (es):

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2021 and the Report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT Standalone Financial Statements of the Company for the year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2021 and the Report of Auditors thereon, circulated to members and laid down before this meeting be and are hereby received, considered and adopted."

2. To Declare Final Dividend on Equity shares for the Financial year ended March 31, 2021 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT pursuant to the recommendation made by the Board of Directors, a Final Dividend @ INR 2 per share (i.e. 20% on the fully paid-up Equity Share of INR 10/- each) of the Company amounting to INR 2,00,00,350/- be declared out of the profits of the company for the financial year 2020-21 and be paid to the members whose names appeared in the Register of Members during the book closure dates i.e. September 23, 2021 to September 29, 2021 (both days inclusive).

FURTHER RESOLVED THAT dividend be paid latest by October 28, 2021 to all the members who are entitled to receive the said dividend."

3. To appoint a Director in place of Mr. Saurabh Goyal (DIN 00136037), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT Mr. Saurabh Goyal (DIN 00136037) who retires from the board at the ensuing Annual General Meeting in accordance with the provisions of the Articles of Association, being eligible and had offered himself for being re-appointed, be and is hereby re-appointed as a director of the company whose period in office will be liable to end by rotation."

Special Business (es):

4. To appoint Dr. Vikram Chaudhery (DIN: 00509297) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152, read with Schedule IV to the Companies Act, 2013 ('Act') and any other applicable provisions of the Act and the Rules made thereunder and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), including any statutory amendment(s) or re-enactment(s) thereof, Dr. Vikram Chaudhery having Director Identification Number (DIN) 00509297, who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and LODR Regulations, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto March 28, 2026, and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT Board of Directors of the Company be and is hereby authorized to do all such acts deeds and things as may be deemed proper and expedient to give effect to this Resolution."

5. To appoint Mr. Nitin Ravindra Bidikar (DIN: 02472794) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152, read with Schedule IV to the Companies Act, 2013 ('Act') and any other applicable provisions of the Act and the Rules made thereunder and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), including any statutory amendment(s) or re-enactment(s) thereof, Mr. Nitin Ravindra Bidikar having Director Identification Number (DIN) 02472794, who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and LODR Regulations, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto March 28, 2026, and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

6. To appoint Dr. Shrikant Uttam Tamhane (DIN: 08965471) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, read with Schedule IV to the Companies Act, 2013 (‘Act’) and any other applicable provisions of the Act and the Rules made thereunder and Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘LODR Regulations’), including any statutory amendment(s) or re-enactment(s) thereof, Dr. Shrikant Uttam Tamhane having Director Identification Number (DIN) 08965471, who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and LODR Regulations, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto April 14, 2026, and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

7. To appoint Mr. Santosh Kumar Srivastava (DIN: 09168623) as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Santosh Kumar Srivastava (DIN: 09168623), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 16, 2021 under Section 161 of the Companies Act, 2013 and article of association of the Company and who holds upto the date of Annual General Meeting of the Company in terms of provisions of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

8. To appoint Mr. Santosh Kumar Srivastava (DIN: 09168623) as Whole-time Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as, “the Act”) and pursuant to the provisions of Memorandum and Articles of Association and subject to the approval of Central Government, if necessary, the consent of the members be and is hereby accorded for the appointment of Mr. Santosh Kumar Srivastava (DIN - 09168623) as a Whole time Director, designated as Director (Compliance) of the company for a period of three years w.e.f June 16, 2021 on the terms and conditions including remuneration in case of inadequate profits or no profits in any financial year, as are set out herein below:

- a. Salary: INR 34,861 (Rupees Thirty-four thousand eight hundred and sixty-one) per month and inclusive of other Allowances as HR policy of the company.
- b. He is also entitled to a bonus equivalent in a financial year, proportionately to his tenure in a year.
- c. Other Perquisites: He will be reimbursed from time to time communication, travel & other such expenses on an actual basis for discharging his official duties for the Company.
- d. He shall be entitled to any other benefits or payables from Company like Gratuity and Leave Encashment.
- e. He shall not be entitled to:
 - (i) sitting fee for the Board/Committee meetings attended by him.
 - (ii) Stock options, in case, any such options provided by the Company

FURTHER RESOLVED THAT in the event of no profits or the profits of the company are inadequate, in any year, the Company may pay aforesaid remuneration to him exceeding the limits specified in the Schedule V of the Companies Act, 2013, in compliance of Schedule V of the Companies Act, 2013 including any statutory modifications or re-enactment thereof.

FURTHER RESOLVED THAT the approval of the members be accorded to the Board of Directors to do all such acts, deeds, matters and things, to take all such steps as may be expedient in this regard including seeking all necessary approvals to give effect to this resolution and to execute all necessary documents, applications, return, forms and writings as may be necessary, proper, desirable or expedient.”

9. Contribution to Bonafide and Charitable Funds etc. in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 181 of the Companies Act, 2013 (‘Act’) and rules made there under & other applicable provisions (including any statutory amendment(s), modification(s), clarification(s), substitution(s), enactment(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, guidelines, statutory notifications made by any statutory authorities and modifications thereof and recommendation of the Board of Directors (hereinafter referred to as the ‘Board’, which term shall include any duly constituted committee(s) thereof or such other person(s) authorized by the Board), the approval of the members be and is hereby accorded to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, bodies, universities, institutions, societies, trusts, etc. for charitable and other purposes in any financial year of upto a total amount of INR 1,48,00,000/- (One Crores forty Eight Lakhs only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the aforesaid resolution and to authorise any of the directors and/ or key managerial personnel and/or officers of the Company to take necessary actions on behalf of the Company in this regard."

By order of the Board of Directors
of **Nureca Limited**

Place: Chandigarh
Date: July 31, 2021

(Saurabh Goyal)
Chairman & Managing Director

NOTES: -

1. Virtual 05th Annual General Meeting (AGM) of the Company:

Considering the surge of COVID-19 pandemic and in order to maintain the social distancing norms as well as to ensure the safety of the public at large, the Ministry of Corporate Affairs ('MCA') has vide its General Circular no. 02/2021 dated January 13, 2021 read with General Circular nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively ('MCA Circulars') permitted to conduct the AGM through VC or OAVM. Further, the Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 read with circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, had given relaxations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") w.r.t. compliances of AGM ('SEBI Circulars').

In view of the aforesaid and in compliance with the MCA Circulars and SEBI Circulars, 05th AGM of the members of the Company is being held through VC or OAVM. Accordingly, members are requested to attend and participate in the AGM through VC/ OAVM.

The venue of the 5th AGM shall be deemed to be the registered office of the Company situated at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai City MH 400063. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

2. Explanatory Statement as per Section 102 of the Companies Act, 2013 ('The Act'):

The Statement pursuant to Section 102 of the Act, setting out the material facts in respect of the special businesses under Item Nos. 4-9 is annexed hereto. Also, relevant details with respect of Directors seeking appointment at the AGM, in terms of LODR Regulations and Secretarial Standards on General Meetings, are set out in **Annexure A**, which also form part of this notice.

3. Dispatch of Annual Report through Electronic Mode:

In compliance with the MCA Circulars and SEBI Circular Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.nureca.com websites of the Stock Exchanges, i.e BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

4. Attendance at the AGM:

- Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- As per the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf. Since the 5th AGM is being held through VC as per the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be made available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Pursuant to the provisions of the Act and the MCA Circulars, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a copy (PDF/ JPG Format) of its Board or Governing Body Resolution/ Authorization etc., to the Company Secretary at cs@nureca.com authorizing its representative to attend and participate in the AGM through VC/OAVM on its behalf & to vote through e-Voting. The Resolution/ Authorization shall be sent not less than 48 (forty-eight) hours before the commencement of the AGM i.e. by 11:00 a.m. on Monday, September 27, 2021.
- Since the AGM is being held through VC / OAVM, the participation of members will be on first-come-first-serve basis. However, the large shareholders (shareholders holding shares more than 2%), Promoters, Directors, Key Managerial Personnel, the Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Statutory Auditors, etc. are allowed to attend the AGM without the restriction on account of first-come-first-serve basis.
- Shareholders who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or replied suitably by the Company.

5. Inspection of Documents:

The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members seeking to inspect such documents can send an email to cs@nureca.com with subject line **"Inspection of AGM Documents."**

6. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) are Link In-time India Private Limited having their office at C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.
7. The Register of Members and Share Transfer Books of the Company will be closed from September 23, 2021 to September 29, 2021 (both days inclusive).
8. The dividend, declared at the Annual General Meeting, would be paid subject to deduction of tax at source on or after October 04, 2021 to those shareholders or their mandates:
 - Whose names appear as Beneficial Owners as at the end of the business hours on September 22, 2021 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form
 - Whose names appear as Members in the Register of Members of the Company after giving effect to valid request(s) received for transmission / transposition of shares lodged with the Company / its Registrar and Share Transfer Agent on or before September 22, 2021.
9. Payment of Dividend through ECS:

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with self-attested copy of PAN and the original cancelled cheque bearing the name of the Member to the Company's Registrar and Share Transfer Agent, Link In-time India Private Limited at their abovementioned address/Company to update their Bank Account details.

Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

In case, the Company is unable to pay the dividend to any shareholder by the electronic mode due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/ drafts to such shareholder by post.

10. Pursuant to Finance Act, 2020, dividend income has become taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereafter. The shareholders are requested to update their PAN with the Company/ Registrar and Share Transfer Agent (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
11. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by sending an email to cs@nureca.com by September 22, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to cs@nureca.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 22, 2021.
12. Please note that the Company is not obligated to apply the beneficial Double Tax Avoidance Agreement (DTAA) rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.
13. Members holding shares in physical mode and who have not registered / updated their email addresses with the Company are requested to register / update their email addresses by writing to the Company at cs@nureca.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Aadhaar Card, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants.
14. Members are requested to:
 - Intimate, along with relevant documents, to the Company's Registrar and Share Transfer Agent, Link In-time India Private Limited at their abovementioned address, about changes, if any, in their registered addresses at an early date, in case of shares held in physical form.
 - Intimate directly to the respective Depository Participant, about changes, if any, in their registered addresses, nomination, power of attorney etc. at an early date, in case of shares held in dematerialized form. The Company will

not take cognizance of any such requests directly from Members.

- Quote their folio numbers/Client ID/ DP ID in all correspondence.
- Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of

15. In case of any queries regarding the Annual Report, the Members may write to Company Secretary through email at cs@nureca.com by September 22, 2021.

16. Voting through electronic means

- In compliance of provisions of Section 108 of the Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of SEBI LODR Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice, through remote e-voting and e-voting at AGM.
- Members are requested to note that the Company is providing facility for remote e-voting and the business may be transacted through electronic voting system. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein.

Instructions for Voting through Electronic Mode

- The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted is as under:
- The voting period begins on Sunday, September, 26, 2021 at 9:00 a.m. to Tuesday, September 28, 2021 till 5:00 p.m. both days inclusive. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date of Wednesday, 22th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-voting process has been enabled to all the Individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.
- Through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. CDSL. Click on CDSL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., CDSL where the e-Voting is in progress.
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. - On the e-Services home page, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. - This will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. - Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. - Click on the company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. - Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp e-Voting website of NSDL - Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. - Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

	3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. 2. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request helpdesk at evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- The shareholders should log on to the e-voting website www.evotingindia.com
- Click on "Shareholders".
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number, given in Postal Ballot Form, in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DIVIDEND BANK DETAILS OR DATE OF BIRTH	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter member ID/folio number in the Dividend Bank details field as mentioned in instruction (3).

- After entering details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant Nureca Limited on which you choose to vote. EVSN of the Company is 210824028.

11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
16. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Note for Non – Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: cs@nureca.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for shareholders attending the AGM through VC/OAVM are as under:

- Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

Instructions for shareholders for e-voting during the AGM are as under:-

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- For Demat shareholders please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
- In case you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542). In case the shareholders have any grievances connected with the voting by electronic means, the Shareholders may also call on 0172-5292900 or send a request to Company Secretary by sending an email to cs@nureca.com

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By order of the Board of Directors
of **Nureca Limited**

Date: July 31, 2021
Place: Chandigarh

(Saurabh Goyal)
Chairman & Managing Director

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The following statement sets out all material facts relating to certain ordinary business and the special businesses mentioned in the accompanying Notice of Annual General Meeting:

Item No. 3

Though not statutorily required, the following is being provided as additional information to the Members. Pursuant to the provisions of Section 152 and other applicable provisions of the Act and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One-third of these Directors must retire from office at each AGM, but each retiring Director is eligible for re-election at such meeting. Independent Directors and the Executive Chairman are not subject to retirement by rotation. Accordingly, Mr. Saurabh Goyal is required to retire by rotation at this AGM and being eligible, has offered himself for re-appointment.

Considering Mr. Saurabh Goyal's skills, competencies, expertise and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to re-appoint him as a Director of the Company. Additional information in respect of Mr. Saurabh Goyal, pursuant to Regulation 36 of LODR Regulations and the Secretarial Standard on General Meetings (SS-2), is provided at **Annexure A** to this Notice. A brief profile of Mr. Saurabh Goyal is also provided at **Annexure B** to this Notice.

Except Mr. Saurabh Goyal being himself, Mr. Aryan Goyal, Chief Executive Officer, being his relative, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors recommends the resolution proposing the re-appointment of Mr. Saurabh Goyal as set out in Item No. 3 for approval of the Members by way of an Ordinary Resolution.

Item No. 4

Based on recommendation of Nomination and Remuneration Committee and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Act and LODR Regulations, the Board of Directors have appointed Dr. Vikram Chaudhery having Director Identification Number (DIN) 00509297 as an additional director in the capacity of Independent Director of the company from March 29, 2021 and he vacates his office at the ensuing Annual General Meeting. The Board has proposed the reappointment of Dr. Vikram Chaudhery as an Independent Director at this Annual General Meeting of the Company for term of 5 years with effect from March 29, 2021, whose period of office shall not be liable to determination by retirement of directors by rotation.

The Company has also received a notice in writing from a Member in terms of provisions of Section 160 of the Act proposing the candidature of Dr. Vikram Chaudhery to be appointed as Director of the Company. Further, the Company has also received Dr. Vikram Chaudhery's consent to act as a Director in terms of section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

He will be eligible for payment of sitting fee, as payable to other non-executive directors of the Company. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the LODR Regulations and available for inspection by the members at the registered office of the Company during business hours.

The company has received the declaration from him that he meets the criteria of Independence as per Section 149 of the Act and LODR Regulations. He has also submitted a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014. He has not resigned from the post of director of a listed entity in last three years. He does not have any relationship with any other director of the company. He does not hold any equity share in the company.

In the opinion of the Board, Dr. Vikram Chaudhery fulfils the conditions specified in the Act, the Rules thereunder and the LODR Regulations for appointment as an Independent Director and that he is independent of the management of the Company. The Nomination and Remuneration will evaluate the performance of all the Independent Directors including Dr. Vikram Chaudhery.

Considering his experience in Life Sciences Venture Studio and Semi-Conductor Equipment Manufacturer, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from March 29, 2021 to March 28, 2026.

Brief particulars of Dr. Vikram Chaudhery, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of LODR Regulations and Secretarial Standard-2 are **Annexure-A** to this Notice. A brief profile is also provided at **Annexure B** to this Notice.

Except Dr. Vikram Chaudhery, none of the Directors and Key Managerial Personnel (KMPs) of the Company and their relatives is concerned or interested, financial or otherwise, in his re-appointment. He does not have any relation with any other directors or KMPs.

The Board of Directors recommends the resolution proposing the appointment of Dr. Vikram Chaudhery as an Independent Director of the Company, as set out in Item No. 4 for approval of the Members by way of Ordinary Resolution.

Item No. 5

Based on recommendation of Nomination and Remuneration Committee and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Act and LODR Regulations, the Board of Directors have appointed Mr. Nitin Ravindra Bidikar having Director Identification Number (DIN) 02472794 as an additional director in the capacity of Independent Director of the company from March 29, 2021 and he vacates his office at the ensuing Annual General Meeting. The Board has proposed the reappointment of Mr. Nitin Ravindra Bidikar as an Independent Director at this Annual General Meeting of the Company for term of 5 years with effect from March 29, 2021, whose period of office shall not be liable to determination by retirement of directors by rotation.

The Company has also received a notice in writing from a Member in terms of provisions of Section 160 of the Act proposing the candidature of Mr. Nitin Ravindra Bidikar to be appointed as Director of the Company.

Further, the Company has also received Mr. Nitin Ravindra Bidikar's consent to act as a Director in terms of section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He will be eligible for payment of sitting fee, as payable to other non-executive directors of the Company. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the LODR Regulations and available for inspection by the members at the registered office of the Company during business hours. The company has received the declaration from him that he meets the criteria of Independence as per Section 149 of the Act and LODR Regulations. He has also submitted a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014. He has not resigned from the post of director of a listed entity in last three years. He does not have any relationship with any other director of the company. He does not hold any equity share in the company.

In the opinion of the Board, Mr. Nitin Ravindra Bidikar fulfils the conditions specified in the Act, the Rules thereunder and the LODR Regulations for appointment as an Independent Director and that he is independent of the management of the Company. The Nomination and Remuneration will evaluate the performance of all the Independent Directors including Mr. Nitin Ravindra Bidikar.

Considering his experience of more than 29 years of senior management and consulting across the Life Sciences, Pharmaceutical, CRO and KPO companies. The Board of Directors is of the opinion that he will contribute immensely to the Company and it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from March 29, 2021 to March 28, 2026.

Brief particulars of Mr. Nitin Ravindra Bidikar, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of LODR Regulations and Secretarial Standard-2 are **Annexure A** to this Notice. A brief profile is also provided at **Annexure B** to this Notice.

Except Mr. Nitin Ravindra Bidikar, none of the Directors and Key Managerial Personnel (KMPs) of the Company and their relatives is concerned or interested, financial or otherwise, in his re-appointment. He does not have any relation with any other directors or KMPs.

The Board of Directors recommends the resolution proposing the appointment of Mr. Nitin Ravindra Bidikar as an Independent Director of the Company, as set out in Item No. 5 for approval of the Members by way of Ordinary Resolution.

Item No. 6

Based on recommendation of Nomination and Remuneration Committee and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Act and LODR Regulations, the Board of Directors have appointed Dr. Shrikant Uttam Tamhane having Director Identification Number (DIN) 08965471 as an additional director in the capacity of Independent Director of the company from April 15, 2021 and he vacates his office at the ensuing Annual General Meeting. The Board has proposed the reappointment of Dr. Shrikant Uttam Tamhane as an Independent Director at this Annual General Meeting of the Company for term of 5 years with effect from April 15, 2021, whose period of office shall not be liable to determination by retirement of directors by rotation.

The Company has also received a notice in writing from a Member in terms of provisions of Section 160 of the Act proposing the candidature of Dr. Shrikant Uttam Tamhane to be appointed as Director of the Company. Further, the Company has also received Dr. Shrikant Uttam Tamhane's consent to act as a Director in terms of section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

He will be eligible for payment of sitting fee, as payable to other non-executive directors of the Company. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the LODR Regulations and available for inspection by the members at the registered office of the Company during business hours.

The company has received the declaration from him that he meets the criteria of Independence as per Section 149 of the Act and LODR Regulations. He has also submitted a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014. He has not resigned from the post of director of a listed entity in last three years. He does not have any relationship with any other director of the company. He does not hold any equity share in the company.

In the opinion of the Board, Dr. Shrikant Uttam Tamhane fulfils the conditions specified in the Act the Rules thereunder and the LODR Regulations for appointment as an Independent Director and that he is independent of the management of the Company. The Nomination and Remuneration will evaluate the performance of all the Independent Directors including Dr. Shrikant Uttam Tamhane.

Dr. Shrikant Uttam Tamhane is working as Consultant in Department of Endocrinology at REID HEALTH, Richmond, IN, US since August 2017.

He has overall experience of 3 years' Experience as Assistant Professor of Medicine at MAYO CLINIC, US and completed three year residency in Internal Medicine. He has rich experience of seventeen years in the field of medical, clinical and medicines.

He will contribute immensely to the Board deliberations and the Company will be benefitted out of his vast experiences in the field of medical, clinical and medicines. Being in this Sector, Dr. Shrikant Uttam Tamhane fulfills the requirement of his role in the company.

Brief particulars of Dr. Shrikant Uttam Tamhane, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanship of Board Committees, shareholding in the company and relationship between the Directors inter-se as required under Regulation 36 of LODR Regulations and Secretarial Standard-2 are **Annexure-A** to this Notice. A brief profile is also provided at **Annexure B** to this Notice. Except Dr. Shrikant Uttam Tamhane, none of the Directors and Key Managerial Personnel (KMPs) of the Company and their relatives is concerned or interested, financial or otherwise, in his re-appointment. He does not have any relation with any other directors or KMPs.

The Board of Directors recommends the resolution proposing the appointment of Dr. Shrikant Uttam Tamhane as an Independent Director of the Company, as set out in Item No. 6 for approval of the Members by way of Ordinary Resolution.

Item No. 7 and 8

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee, have appointed Mr. Santosh Kumar Srivastava (DIN: 09168623) as Additional Director of the Company from June 16, 2021 and he vacates his office at the ensuing Annual General Meeting. The Board has proposed the reappointment of Mr. Santosh Kumar Srivastava as regular Director at the Annual General Meeting of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.

He has also been appointed a Whole time Director designated as Director (Compliance) for a period of three years w.e.f June 16, 2021 on the terms and conditions as set out in respective resolutions in case of no profit or inadequate profits during the respective tenure.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act. In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013. The Board recommends the Special Resolution as per item no. 8 of the accompanying Notice for the approval of the Members.

He does not hold any shares in the Company.

Statement of Particulars pursuant to Schedule-V of the Companies Act, 2013

The particulars of the information, pursuant to the provisions of Schedule-V, Part-II, Section-II, Clause (A) of the Act are as under:

I. General Information

(1) Nature of Industry

Home healthcare and wellness products.

(2) Date or expected date of commencement of Business operation

Not applicable as Company is an existing company and have already commenced the Business operations.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable and as provided in clause (2) above.

(4) Financial performance based on given indicators - as per audited standalone financial results for the year ended 31st March, 2021

Particulars	(INR in Million as on March 31, 2021)	(INR in Million as on March 31, 2020)
Net Turnover & Other Income	2161.48	994.87
Net profit as per Statement of Profit & Loss (After Tax)	465.34	64.10
(Including other comprehensive income)		
Profit as computed under Section 198 of the Act	624.93	86.23
Net Worth	1632.92	149.70

(5) Foreign investments or collaborations, if any

Nil

II. Information about the appointee

(1) Background details

Mr. Santosh Kumar Srivastava, joined the Company as Whole-time Director designated as Director (Compliance) with effect from June 16, 2021. Mr. Santosh Kumar Srivastava had served in Indian Air Force. He has rich experience in supervising, planning, operation, training, administration and professional ability to take initiative and strong decision.

(2) Past remuneration during the financial year ended 31st March, 2021

Not applicable, fresh appointment with effect from June 16, 2021.

(3) Recognition or awards

Career profile already covered in the section "Background details".

(4) Job Profile and his suitability

Mr. Santosh Kumar Srivastava, Whole Time Director, will be responsible for looking after Compliances of the Company. Taking into consideration his qualifications and expertise in relevant fields, he is best suited for the responsibilities currently assigned to him by the Board of Directors.

(5) Remuneration proposed

As set out in proposed resolution 8 of the Notice.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of Mr. Santosh Kumar Srivastava and the responsibilities assigned, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed to be paid to him, Mr. Santosh Kumar Srivastava does not have any other pecuniary relationship with the Company or relationship with any of its managerial personnel.

III. Other Information

(1) Reasons of loss or inadequate profits

Not applicable, as the Company has posted a net profit after tax (including other comprehensive income) of INR 465.43 Million for the year ended 31st March, 2021. It cannot be guaranteed that the company will not incur losses in ensuing financial years. Thus, it cannot be guaranteed that the company will have sufficient profits as per section 197 to pay proposed remuneration to Whole time Directors. Therefore, the Board of Directors are in view to obtain approval of shareholders as per the provisions of Schedule V of the Act.

(2) Steps taken or proposed to be taken for improvement:

The Board of Directors and company will, in their best endeavor, try to improve the performance of the company in terms of adequate profits to pay remunerations to its managerial personnel.

(3) Expected increase in productivity and profits in measurable terms:

Given the magnitude of the surge of corona virus pandemic and its impact on the operations of company as in the case of global economy, it would be difficult to estimate the exact impact of pandemic on operations as of now. The company is taking all the necessary precautionary measures to tackle with the challenges thrown by this unprecedented crisis.

IV. Disclosures

Additional information in respect of Mr. Santosh Kumar Srivastava pursuant to the Secretarial Standards on General Meetings (SS-2) is provided at **Annexure A** to this Notice. A brief profile of Mr. Santosh Kumar Srivastava is also provided at **Annexure B** to this Notice.

Except Mr. Santosh Kumar Srivastava, none of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 7 and 8 of the Notice.

The Board of Directors recommends the resolutions proposing the appointment of Mr. Santosh Kumar Srivastava as a regular, as set out in Item No. 7 for approval of the Members by way of Ordinary Resolution as well as his appointment as a Wholetime Director designated as Director (Compliance) as set out in Item No. 8 for approval of the Members by way of Special Resolution.

Item 9

It was proposed to incur CSR expenditure in the field of education of deprived children. In this regard, the CSR Committee of the company had identified Takshashila Education and Medical Charitable Trust, Surat, Gujarat ("Takshashila") within the framework of the provisions of the Companies Act, 2013. The Takshashila runs schools affiliated to the CBSE Board as well as State Board in tribal area of Mangrol and Umapada Taluka of Surat of Gujarat. These schools are upto higher secondary in the streams of Science and Commerce with different laboratories and libraries for each stream. It also provides free education to poor and tribal children at Umapada as well as in Kosamba. The said schools are also engaged in providing extra curriculum activities to the children like karate, boxing, skating, dance, drawing, and paintings etc. for their overall development. The tranche of INR 1,48,00,000/- (Rupees One Crore Forty Eight Lakhs Only) on April 10, 2021 has been made to Takshashila towards CSR contribution.

With reference to amendment dated January 22, 2021 in the Companies Act, 2013 ("Act") and rules made thereunder effective from April 01, 2021, which mandates the Takshashila has to file E-Form CSR-1 to get CSR Registration before undertaking CSR Activities. However, the said E-Form CSR-1 was not available on website of the Ministry of Corporate Affairs ("MCA") till April 28, 2021. The Takshashila confirmed to the company vide their letter dated July 31, 2021 that due to technical glitches and despite their best efforts, they were not able to get the CSR registration. They will ensure to get the registration soon.

Since, Takshashila was unable to get its' CSR registration before accepting CSR contribution from the Company, the management of the company is not sure whether the contribution to Takshashila will be allowed under CSR activities or not. Therefore, to avoid the situation of being Non-Compliant, the company is of the view to propose to get approval from members for said Contribution under Section 181 of the Act, which states that the Companies are authorized to contribute to bonafide and charitable funds and in case of contribution is in excess of 5% of the Company's average net profits during the three immediately preceding financial years, it requires approval of the members of the Company. The Board of Directors of the Company at its meeting held on July 31, 2021, have considered, approved and recommended to the shareholders to authorize to make contributions in financial year 2021-22 for a total amount of upto INR 1,48,00,000/- (Rupees One Crore Forty Eight Lakhs Only).

None of the directors and/or key managerial personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed resolution, except to the extent of their shareholding in the Company, if any. The Board recommends the ordinary resolution, as set out in item no. 9 of the notice, for approval of the shareholders.

By order of the Board of Directors
of **Nureca Limited**

Date: July 31, 2021
Place: Chandigarh

(Saurabh Goyal)
Chairman & Managing Director

Annexure-A

Additional Information on Directors seeking Appointment/Re-appointment at the 05th Annual General Meeting [Pursuant to Regulation 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and [SS - 2 Secretarial Standards on General Meetings]

Name of Director	Mr. Saurabh Goyal	Mr. Santosh Kumar Srivastava	Dr. Vikram Chaudhery	Mr. Nitin Ravindra Bidikar	Dr. Shrikant Uttam Tamhane
Director Identification Number (DIN)	00136037	09168623	00509297	02472794	08965471
Age	35 Years	49 years	34 years	53 years	39 years
Qualification	Master Degree in Science	Bachelor's degree in Arts from IGNOU and Diploma in Pharmacy	Masters and Bachelors in Electrical Engineering Ph.D in Electrical engineering and Biological System Engineering	B.Sc. in Chemistry D. Pharmacy B.Sc. in Medical Sociology	Master of Business Administration, Concentration Bachelor of Medicine and Bachelor of Surgery
Date of appointment	February 11, 2017	June 16, 2021	March 29, 2021	March 29, 2021	April 15, 2021
Experience	He has over a decade of experience in the healthcare & life sciences industry.	He had served in Indian Air Force for 26 years.	He has experience of two years in the field of Lifesciences	He has overall experience of more than 29 years of senior management and consulting experience across the Life Sciences, Pharmaceutical	He has gained 3 years' Experience as Assistant Professor of Medicine at Mayo Clinic, US and completed three-year residency in Internal Medicine
Relationship with the Directors/ Managerial personnel, if any	Brother of Chief Executive officer of the Company.	He does not have any relationship with the Directors/Managerial Personnel	He does not have any relationship with the Directors/Managerial Personnel	He does not have any relationship with the Directors/Managerial Personnel	He does not have any relationship with the Directors/Managerial Personnel

Directorship in other Companies	He is a Director in Five Companies	He does not Hold any Directorship in any other Company	He is a Director in One Company	He does not Hold any Directorship in any other Company	He does not Hold any Directorship in any other Company
Board Meetings	During the financial year 2020-21, 12 (Twelve) meetings of the Board of Directors had been held and all meetings were attended by him.	Joined on June 16, 2021. Accordingly, No meeting had been attended by him during the Financial year 2020-21	Joined on March 29, 2021. Accordingly, No meeting had been attended by him during the Financial year 2020-21	Joined on March 29, 2021. Accordingly, No meeting had been attended by him during the Financial year 2020-21	Joined on April 15, 2021. Accordingly, No meeting had been attended by him during the Financial year 2020-21
Committee Membership/ Chairmanships	He is a Chairman of Management Committee and member of Audit Committee Stakeholder Relationship Committee	He does not hold Committee membership/ Chairmanships in any other company	He is a member of Audit Committee He does not hold Committee memberships/ Chairmanships in any other company	He does not hold Committee memberships/ Chairmanships in any other company	He does not hold Committee memberships/ Chairmanships in any other company
Shareholding in Nureca Limited	3,499,979	Nil	Nil	Nil	Nil

Notes:

- Information pertaining to remuneration paid to the Directors who are being appointed/re-appointed or whose terms of remuneration are being revised and the number of Board Meetings attended by them during the year 2020-21, wherever applicable, have been provided in the Corporate Governance Report forming part of the Annual Report.

Annexure-B**Brief Profile of Directors seeking appointment/Re-appointment at the 05th Annual General Meeting to be held on September 29, 2021**

- Mr. Saurabh Goyal** is the chairman and Managing Director of the Company since September 03, 2020. He is a seasoned professional and manages external and internal customer touch-points along with driving up operational efficiencies. He is responsible for the overall success of the business. He did Master's Degree in Sciences from Kings College, London and has over a decade of experience in the healthcare & life sciences industry. His extraordinary organizational and leadership skills have helped Nureca achieve its leadership position as a global digital healthcare devices company.
- Dr. Vikram Chaudhery** is Chief Operating Officer and Co-Founder of General Inception, a Life Sciences Venture Studio and Principal of Genoa Ventures, an Early stage Life Sciences Fund. He has experience of two years as Head of Life Sciences at Lam Research, a Fortune 500 Semi-Conductor Equipment Manufacturer and of four years at various positions McKinsey and Company Fortune's list of top 10 most important private companies.
- Mr. Nitin Ravindra Bidikar** has overall experience of more than 29 years of senior management and consulting experience across the Life Sciences, Pharmaceutical, CRO and KPO companies such as Deloitte, India, KPMG, India, Goldshield India, subsidiary of Goldshield Group, Plc UK, Dolphin Laboratories, Mumbai, Charak Pharmaceuticals Limited, Mumbai and SMS Formulation Exports. Presently he is working as Senior Advisor to Deloitte India and Global since 2017.
- Dr. Shrikant Uttam Tamhane** did Bachelor of Medicine and Bachelor of Surgery from Maharashtra University of Health Sciences, B. J. Medical College, Pune, India. Presently, he is working as Consultant in Department of Endocrinology at REID HEALTH, Richmond, IN, US since August 2017. He has 3 years' Experience as Assistant Professor of Medicine at MAYO CLINIC, US and completed three year residency in Internal Medicine. He has rich experience of seventeen years in the field of medical, clinical and medicines.
- Mr. Santosh Kumar Srivastava** had served in Indian Air Force for 26 years. He has rich experience in supervising, planning, operation, training, administration and professional ability to take initiative and make strong decisions. He is well versed with Compliances related to administrative work. He had provided professional assistance to various personnel with respect to administrated and other corporate compliances.

By order of the Board of Directors
of **Nureca Limited**

Place: Chandigarh
Date: July 31, 2021

(Saurabh Goyal)
Chairman & Managing Director

BOARD OF DIRECTORS' REPORT OF NURECA LIMITED

Dear Members,

Your Directors have pleasure in presenting the 05th Annual Report together with the audited financial statements of Nureca Limited ('Nureca' or 'the Company') for the financial year ended March 31, 2021.

Financial results (Standalone)

INR in Millions

	31-Mar-21	31-Mar-20
Revenue from operations	2133.31	994.26
Other Income	28.17	0.61
Profit before interest and depreciation	644.99	97.67
Finance Costs	15.97	7.70
Depreciation & Amortization	4.09	3.74
Profit before tax	624.93	86.23
Tax expenses	159.59	22.13
Profit after tax	465.34	64.10
Other Comprehensive income (Net of Taxes)	0.09	(0.05)
Profit after tax available for Appropriations	465.43	64.05

The Company's revenue during Financial Year ('FY') 2020-21 stood at INR 2133.31 Million against INR 994.26 Million in the previous year recording an increase of 114.56%. This inclination is due to increase in sale of products of home healthcare and wellness.

Finance cost increased by 107.40% in this financial year to INR 15.97 Million. The Profit after Tax has increased by 625.96 % as compared to the last year due to increase in revenue from operations of the Company.

The financial results of the company for the quarter ended on June 30, 2021 are be made available on the website of the company (URL: <https://www.nureca.com/>).

Management Discussion and Analysis Report

The details of the Company's various operations and state of affairs, nature of business and financial performance are discussed under Management Discussion and Analysis Report. The Management Discussion and Analysis of financial condition and result of operations of the Company for the year under review as in terms of Securities & Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), which forms and part of this Annual report.

Dividend

Your Directors are pleased to recommend a Final Dividend @ 20% i.e. INR 2/- per equity shares of face value of INR 10/- each aggregating to INR 2,00,00,350/- for the year ended March 31, 2021. The final dividend, subject to the approval by the members in the ensuing Annual General Meeting and if declared, will be paid on or after October 04, 2021 to those members whose names appears in the register of members as on date of book closure. The register of members and the share transfer books of the Company will remain closed from September 23, 2021 to September 29, 2021 (Both days inclusive) for Annual General Meeting and payment of dividend, if declared, on equity shares.

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

Dividend Distribution Policy

The Board of Directors in their Meeting held on September 03, 2020 have approved the Dividend Distribution Policy containing the parameters mentioned in Regulation 43A(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is placed on the website of the Company at <http://www.nureca.com/wp-content/uploads/2021/06/Dividend%20Distribution%20Policy.pdf>

Change in the Nature of Business

There has been no change in the nature of business of the Company during the year.

Indian Accounting Standards (Ind-AS)

The company has adopted Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued there under and accordingly, standalone and consolidated audited financial statements have been prepared in accordance with the recognition and measurement principles laid down in IND AS and the other accounting principles generally accepted in India.

Compliance with Secretarial Standards

The Company is in Compliance of Secretarial Standards as issued by Institute of Company Secretaries of India.

Corporate Governance

The Company aimed to conduct its affairs in an ethical manner. A separate Report on Corporate Governance which forms and part of Annual report. A certificate from the Practicing Company Secretary regarding the Compliance of Conditions of Corporate Governance as stipulated under LODR Regulations which forms and part of Annual report. Any disclosure not given in Annual report and its annexures but disclosed in Annexure all be deemed to be reported in Annual report and vice versa.

Business Responsibility ('BR') Statement

The Company get listed on February 25, 2021 and it is the first time that the Business Responsibility Report (BRR) is applicable to Company. The BRR Report as required under LODR Regulations alongwith Environment, Social and Governance (ESG) report which forms and part of Annual report.

"Scheme of arrangement" under Section 230 to 232 of the Companies Act, 2013

Pursuant to the Scheme of Arrangement amongst Nectar Biopharma Private Limited, Nureca Limited and their respective shareholders and creditors, the Specified Undertaking (as defined in the Scheme) was demerged into our Company from Nectar Biopharma Private Limited. Prior to the Scheme, Nectar Biopharma Private Limited along with its nominee held 100%

The Scheme, inter alia, provided the following:

- Demerger, transfer and vesting of the Specified Undertaking from the Nectar Biopharma Private Limited to the Nureca Limited on a going concern basis, and consequently issue of shares by the Nureca Limited in the manner set out in the Scheme and other applicable provisions of applicable law.
- Increase in the authorized share capital of the Nureca Limited in the manner set out in the Scheme and in accordance with Section 13, 61 and 230 to 232 and other applicable provisions of the Companies Act.
- Reduction of the share capital of the Nureca Limited in the manner set out the Scheme and in accordance with Section 66 and other applicable provisions of the Companies Act.

The Scheme of Arrangement became effective from May 23, 2020 with effect from appointed date i.e. April 1, 2019. Pursuant to the Scheme, our Company had issued and allotted 1,000,000 Equity Shares of face value of INR 10 each to the shareholders of Nectar Biopharma Private Limited in the ratio of 1 (One) Equity Share of INR 10 each of our Company for every 1 (One) Equity Share of INR 10 each held by the shareholders of the Nectar Biopharma Private Limited as on the record date.

Appointment of Nectar Biopharma Private Limited as agent- On May 09, 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from May 23, 2020 (i.e. the effective date of the scheme of arrangement) until such time that the Company is able to fulfill all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be on arm's length.

Accordingly, the Company has recognized revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

Share capital

Authorized Capital Change

May 28, 2020	Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital from INR 1,00,000 comprising of 10,000 Equity Shares of INR 10 each to INR 1,00,00,000 comprising of 10,00,000 Equity Shares of INR 10 each.
July 30, 2020	Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital from INR 1,00,00,000 comprising of 10,00,000 Equity Shares of INR 10 each to INR 11,00,00,000 comprising of 1,10,00,000 Equity Shares of INR 10 each.

Paid up Share Capital Change

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (INR)	Issue price per Equity Share (INR)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative paid up equity share capital (INR)
June 10, 2020	(10,000)	10	-	-	Cancellation of Equity Shares pursuant to the Scheme of Arrangement	-	-
June 10, 2020	1,000,000	10	-	Other than cash	Allotment pursuant to the Scheme of Arrangement ⁽¹⁾	1,000,000	10,000,000
September 3, 2020	6,000,000	10	-	-	Bonus issue in the ratio of 6:1 ⁽²⁾	7,000,000	70,000,000
October 21, 2020	500,000	10	100	Cash	Private placement ⁽³⁾	7,500,000	75,000,000
February 23, 2021	25,00,175	10	400	Cash	Allotment pursuant to IPO ⁽⁴⁾	1,00,00,175	1,00,00,1750

1. Allotment of 500,000 Equity Shares each to Mrs. Payal Goyal and Mr. Saurabh Goyal. For further details please refer to the details of the Scheme of Arrangement available on the website of the company.
2. Allotment of 2,999,982 Equity Shares to Mr. Saurabh Goyal, 2,999,982 Equity Shares to Mrs. Payal Goyal, 12 Equity Shares to Nectar Biopharma Private Limited, 6 Equity Shares to Mr. Aryan Goyal, 6 Equity Shares to Mrs. Raman Goyal, 6 Equity Shares to Mrs. Smrita Goyal and 6 Equity Shares to Mr. Rajneesh Kaushal pursuant to a bonus issue in the ratio of 6:1.
3. Allotment of 441,000 Equity Shares to Yash Shares and Stock Private Limited, 30,000 Equity Shares to Mr. Tushar Bhupatlal Sarda, 10,000 Equity Shares to Ms. Neha Bhalla, 3,000 Equity Shares to Mr. Vinayak Sharma, 2,000 Equity Shares to Ms. Debashree Choudhury Chakraborty, 1,000 Equity Shares to Mr. Ayush Devang Master, 2,000 Equity Shares to Ms. Deepali, 4,000 Equity Shares to Mrs. Devindraben R Sanghvi, 1,000 Equity Shares to Mr. Nishil Ramesh Shah, 3,000 Equity Shares to Mr. Krishna Prakash, 1,000 Equity Shares to Ms. Simpal Ajay Kothari, 1,000 Equity Shares to Ms. Sudha Muddaiah and 1,000 Equity Shares to Ms. Sarika Adarsh Bagaria;
4. Allotment of 25,00,175 Equity Shares of face value INR 10.00 each of Nureca Limited for cash at price of INR 400 (premium INR 390) per Equity Share (including Employee Reservation Portion of 3500 Equity Shares at INR 380 (premium INR 370) per Equity Shares at discount of INR 20 per Equity Share is given to Eligible Employees) aggregating INR 1,000 Million.

Initial Public offer (IPO)

The Company successfully made its Initial Public Offer of 25,00,175 Equity Shares of face value INR 10 each of Nureca Limited for cash at a price of INR 400 per equity share (including a share premium of INR 390 per equity share), includes Employee Reservation Portion of 3500 Equity shares at INR 380 per Equity Shares (including a share premium of INR 370 per equity share) at discount of INR 20 per Equity Share is given to Eligible Employees, aggregating INR 1,000.00 million

Utilization of Proceeds of IPO

Subsequently, on the Completion of IPO, the paid up Equity Share Capital of the Company has been increased from INR 7,50,00,000/- to INR 10,00,01,750/-.

The Company's Equity Shares get listed on BSE Limited and National Stock Exchange of India Limited on February 25, 2021 and are currently available for trading.

Pursuant to Regulation 32 of LODR Regulations, a statement /explanation for deviation(s) or variation(s) in the use of proceeds of IPO is herein given below:

Particular of Issue	Shares Issued	Amount Raised	Original Object	Original Allocation (in Million)	Funds utilized as on March 31, 2021	Deviation(s) or Variation (s) in the use of proceeds of issue, if any
IPO	25,00,175 Equity Shares of face value INR 10 each of Nureca Limited for cash at a price of INR 400 per equity share (including a share premium of INR 390 per equity share) aggregating INR 1,000.00 Million	1,000.00 Million	1) Funding incremental Working Capital requirements	750	190.53	In FY 2020-21 the amount utilized is INR 190.53 Million for funding the Working Capital requirements as against INR 100 Million as set out in prospectus, that the Company may have to revise its funding requirements and deployment from time to time on account of various factors, such as, change in cost, financial and market conditions, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of Management. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of Management. Due to resurgence of COVID 19 pandemic, there is an increase in demand of the home health care and wellness products. To cope up of that demand, the IPO proceeds have been utilised in Working Capital more than as stated Prospectus.
			2) General Corporate Purposes	217.79	Nil	In FY 2020-21 the amount utilised is INR Nil for GCPs as against INR 5 Million as set out in the Prospectus. Pending utilisation, the remaining IPO proceeds are invested in term deposits with banks.

Subsidiaries, Associate or Joint Venture Companies

On June 10, 2020, the Board of directors of the Company had approved the formation of a new wholly-owned subsidiary, Nureca Technologies Private Limited ("NTPL"), with an authorized share capital of INR 0.1 million which was incorporated on July 13, 2020.

On March 31, 2021 the Authorized Share Capital of NTPL was increased from INR 0.1 million to INR 12.5 million. Accordingly, the Issued, Paid-up and Subscribed Capital of NTPL increased from INR 0.1 million to INR 7.6 million during the year under the review.

During the year under the review, the NTPL had suffered loss of INR 16.10 Lakhs on account of preliminary expenses pursuant to incorporation of the Company.

Further, on July 31, 2020, the Board of directors of the Company had approved the formation of a new wholly-owned subsidiary, Nureca Healthcare Private Limited ("NHPL"), with an authorized share capital of INR 0.1 million which was incorporated on August 11, 2020. Therefore, nothing is to report on the performance and financial position of NHPL as no business activity therein.

Further, Pursuant to the Scheme of Arrangement that became effective from May 23, 2020 with effect from appointed date i.e. April 1, 2019, Nureca INC had become the wholly owned subsidiary of Nureca Limited. Therefore, nothing is to report on the performance and financial position.

Accordingly, the Company has three wholly owned subsidiaries (WOS) namely NTPL, NHPL and Nureca INC, USA.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (hereinafter referred as 'Act'), a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the Financial Statements. The separate financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting (AGM). Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

The separate audited/ unaudited financial statements in respect of each of the subsidiary companies are also available on the website of your Company at <https://www.nureca.com/investor-relations/#1629348182907-e3e2838b-1a5e> None of the subsidiaries is material as per Policy for determining Material Subsidiaries of the Company and LODR Regulations.

Consolidated financial Statements

As required under Section 129 of the Act and LODR Regulations, a consolidated financial statements for the year ended on March 31, 2021 of the Company forms a part of this Annual Report.

Directors

- In terms of the provisions of Section 152 (6) of the Companies Act, 2013 and the Rules made there under, Mr. Saurabh Goyal, Director retires by rotation and being eligible, has offered, himself for re-appointment. Based on the recommendation of Nomination and Remuneration Committee, the Board recommends his re-appointment as a Director at the ensuing Annual General Meeting.
- The Board of Directors, recommendation of Nomination and Remuneration Committee, on March 29, 2021 appointed Mr. Vikram Chaudhery (DIN: 00509297) and Mr. Nitin Ravindra Bidikar (DIN: 02472794) as an Additional Director in the capacity of independent Director, who holds office till the conclusion of the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013. They are proposed to be appointed for a term of 5 years with the approval of the members at this Annual general meeting. The Board of directors recommends the regularization of Mr. Vikram Chaudhery and Mr. Nitin Ravindra Bidikar as independent director for a period of five years upto March 28, 2026.
- On April 15, 2021, the Board of Directors on recommendation of Nomination and Remuneration, Mr. Shrikant Uttam Tamhane (DIN: 08965471) as an Additional Director in the capacity of independent Director, who holds office till the conclusion of the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013. He is proposed to be appointed for a term of 5 years with the approval of the members at this Annual general meeting. The Board of directors recommends the regularization of Dr. Shrikant Uttam Tamhane as independent director for a period of five years upto April 14, 2026.
- The Board of Directors on June 16, 2021 appointed Mr. Santosh Kumar Srivastava (DIN: 09168623) as Additional director of the company and further appointed him as the Whole time Director designated as Director (Compliance) of the company w.e.f. June 16, 2021.
- As on the date of Annual report, the company has a duly constituted Board with the prescribed composition of Independent Directors including Women Directors and Non-Independent Directors (Executive and Non-Executive) as per the provisions of Section 149 of the Act, read with the LODR Regulations.

Changes in Directors during the Year

S.No.	Name of Directors	DIN	Appointment/Cessation	Date of Appointment/Cessation
1.	Ms. Smita Goyal	08929179	Appointment	October 21, 2020
2.	Ms. Charu Singh	07822158	Appointment	October 21, 2020
3.	Mr. Vijay Kumar Sharma	02449088	Appointment	October 21, 2020
4.	Mr. Rajneesh Kaushal	07689370	Cessation	October 21, 2020
5.	Ms. Smita Goyal	08929179	Cessation	March 26, 2021
6.	Ms. Ruchita Agarwal	08941249	Appointment	October 29, 2020
7.	Mr. Vikram Chaudhery	00509297	Appointment	March 29, 2021
8.	Mr. Nitin Ravindra Bidikar	02472794	Appointment	March 29, 2021

Directors at the end of March 31, 2021 are as under:

S.No.	Name of Directors	DIN	Designation
1.	Mr. Saurabh Goyal	00136037	Chairman & Managing Director
2.	Mr. Rajinder Sharma	00317133	Non-Executive Director
3.	Mr. Vijay Kumar Sharma	02449088	Independent Director
4.	Ms. Charu Singh	07822158	Independent Director
5.	Ms. Ruchita Agarwal	08941249	Independent Director
6.	Mr. Vikram Chaudhery	00509297	Independent Director
7.	Mr. Nitin Ravindra Bidikar	02472794	Independent Director

Key Managerial Personnel**Changes in Key Managerial Personnel during the Year**

S.No.	Name of Key Managerial Personnel	Date of Appointment	Designation
1.	Mr. Saurabh Goyal	September 03, 2020	Chairman & Managing Director
2.	Mr. Aryan Goyal	September 03, 2020	Chief Executive Officer
3.	Ms. Sakshi Mittal	October 21, 2020	Chief Financial Officer
4.	Mr. Gurvekram Singh*	August 03, 2020	Company Secretary

*Gurvekram Singh was further designated as the Compliance Officer of the company w.e.f. September 03, 2020 under the LODR regulations.

Pursuant to the provisions of Section 203 of the Act, **the key managerial personnel of the Company as on March 31, 2021 were as under:**

Mr. Saurabh Goyal, Chairman & Managing Director

Mr. Aryan Goyal, Chief Executive Officer

Mr. Gurvekram Singh, Company Secretary

Ms. Sakshi Mittal, Chief Financial Officer

Ms. Sakshi Mittal had tendered her resignation from the office of Chief Financial officer (CFO) of the Company w.e.f June 15, 2021.

Subsequently, Mr. Nishant Garg has been appointed as Chief Financial officer (CFO) of the Company w.e.f June 16, 2021.

Independent Directors and Declaration of Independence

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Section 149 (6) of the companies Act, 2013 and Regulation 16 of the LODR regulations.

Your Directors do hereby confirm that in the opinion of the board, the independent directors fulfill the conditions specified in the Act and LODR Regulations and are independent of the management.

Board evaluation

Pursuant to the provisions of the Act, and the corporate governance requirements as prescribed by LODR Regulations, the performance of the Board and committees was evaluated by the Board after seeking inputs from all the directors/ committee members on the basis of the criteria such as the Board/ committee composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role. The performance evaluation forms of each of director get filled from all directors.

Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters namely Nomination and Remuneration Policy as provided in Section 178(3) of the Act has been uploaded on the website of the company at <https://www.nureca.com/wp-content/uploads/2021/03/Nomination-and-Remuneration-Policy.pdf>. The salient features of the Policy are to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management. The remuneration / compensation / commission etc., to the Directors, Key Managerial Personnel and Senior Management are determined by the Nomination and Remuneration Committee and recommended to the Board for its approval. There is no change in the policy during financial year 2020-21.

Number of meetings of the board

Twelve (12) meetings of the board were held during the year. The details of the Board and Committee meetings held during the year and the attendance of the directors therein are provided in Corporate Governance Report which forms and part of Annual Report.

Directors' responsibility statement

The Directors confirm that:

- 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;
- 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;
- 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Committees of the Board

The Company constituted the Committees as per the provisions of Sections 177 and 178 of the Act and LODR Regulations. The composition, powers and duties of the Committees, during financial year 2020-21, are detailed out in the Corporate Governance Report which forms and part of Annual Report. The Board of Directors accepted all recommendations of the Audit Committee.

Corporate social responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year which forms and part of Annual report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

Employees

The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which forms and part of Annual report.

In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Internal financial control systems and their adequacy

The company has adequate financial controls. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of Annual report.

Auditors and Auditors' Report

M/s B.S.R & Co. LLP, Chartered Accountants (ICAI Registration No. 101248W/ W-100022) were appointed as Statutory Auditors of your Company at the AGM held on October 30, 2020 for a term of five consecutive years.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

During the financial year under review, the statutory auditors have not reported any frauds under sub section (12) of Section 143 of the Companies Act, 2013 other than those which were reportable to the Central Government.

Secretarial Auditor and Secretarial Audit Report

During the year, Secretarial Audit was carried out by Mr. Prince Chadha of P. Chadha & Associates, Practicing Company Secretary, the Secretarial Auditor of the company for the Financial Year 2020-21. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company. The Secretarial Audit Report is appended which forms and part of Annual report.

The Company has undertaken an audit for the financial year 2020-21 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

On June 16, 2021 in terms of Section 204 of the Companies Act, 2013 and rules made thereunder **A. Arora & Company, Company Secretary in Practice** was appointed as Secretarial Auditor of the Company to undertake the secretarial audit of the company for the Financial Year 2021-22.

Cost Records and Audit

The provisions of this Section is not applicable to your Company

Material Changes and Commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the financial statements relate and the date of the Report

There were no material changes and commitments affecting the financial position of the company that has occurred during the period between the end of the financial year 2020-21 and the date of Annual report.

Details of Significant and Material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No such order has been passed by any statutory or regulatory authority during the financial year.

Particulars of loans, guarantees and investments

The company has not given any loan or provide guarantee as per Section 186 of the Act, however, the amount receivable from subsidiaries and the investments under section 186 of the Act are given in the Financial Statements forming part of the Annual Report.

Transactions with related parties

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 and the same forms part of Annual report. Further details about these transactions are provided in Report on Corporate Governance.

Annual Return

As provided under Section 92(3) of the Act, the MGT-7 (Annual Return) is also available on the website of the company at <https://www.nureca.com/wp-content/uploads/2021/07/MGT-7%20%20%2031.03.2021.pdf? t=1629361355>

Deposits

During the year under Report, your Company did not accept any deposits in terms the provisions of Chapter V of Companies Act, 2013.

Transfer to Investor Education and Protection Fund

The company was not required to transfer any amount to the Investor Education and Protection Fund during the financial year under review.

Vigil Mechanism/ Whistle Blower Policy

The Company has a vigil mechanism through Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

Disclosure requirements

- As per LODR Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of Annual Report.
- Details of the familiarization programme of the independent directors are available on the website of the Company (<https://www.nureca.com/wp-content/uploads/2021/03/Terms-of-Conditions-of-appointment-of-Independent-directors.pdf>).
- Policy for determining material subsidiaries of the Company is available on the website of the Company (URL: <https://www.nureca.com/wp-content/uploads/2021/03/Policy-On-Disclosure-Of-Material-Events-Or-Information.pdf>).
- Policy on dealing with related party transactions is available on the website of the Company (URL: <https://www.nureca.com/wp-content/uploads/2021/03/Policy-For-Consideration-And-Approval-Of-Related-Party-Transactions.pdf>).
- The Whistle Blower Policy to provide Vigil Mechanism for employees including directors is available on the website of the Company (<https://www.nureca.com/wp-content/uploads/2021/03/Whistle-Blower-Policy.pdf>).

Committee and Policy against Sexual Harassment at Workplace

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The company has made the Anti Sexual Harassment Policy under above referred Act for all individuals working for Nureca at all levels and grades, including senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, staff, casual workers, interns. As per policy any aggrieved woman employee who feels and is being sexually harassed directly or indirectly may make a complaint of the alleged incident to any member of the Committee constituted for this purpose.

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

- a. number of complaints pending as on April 01, 2020 - NIL
- b. number of complaints filed during the financial year 2020-21 - NIL
- c. number of complaints disposed of during the financial year 2020-21 - N.A.
- d. number of complaints pending as on March 31, 2021 - N.A.

Conservation of Energy, Technology Absorption and foreign exchange

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act which forms and part of Annual Report.

Acknowledgement

Your Directors would like to express their sincere and grateful appreciation for the assistance and cooperation received from and also thank the shareholders for the confidence reposed by them in the Company and looking forward to their valuable support in the future plans of the Company.

Your Directors also thank its agents, the medical professionals and its customers for their continued patronage to the Company's products.

By order of the Board of Directors
of **Nureca Limited**

Place: Chandigarh
Date: July 31, 2021

(Saurabh Goyal)
Chairman & Managing Director

Report on Corporate Governance

Nureca Limited' philosophy on Corporate Governance

Nureca Limited ("Nureca" or "Company") is committed to maximise the wealth of its shareholders, besides catering to the interests of its customers, employees and associates, with the highest standards of professionalism, integrity, accountability, fairness, following its values, transparency at all levels, social responsiveness and business ethics.

The Company's governance practices go beyond the statutory and regulatory requirements as it tries its best endeavour to follow the spirit of good governance in addition to regulatory requirements with a mission to alleviate human suffering with excellent global quality & affordable medicines created with a spirit of innovation, entrepreneurship & sustainability to create a better tomorrow.

The vision of the Company is: "We are transforming lives through the product patented products that support diagnosis, treatment, and prevention of illness through easy monitoring & analysis of health data".

The company is in compliance with corporate governance requirements specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'LODR Regulations'). Any disclosure not given in this report but disclosed in Board of Directors Report or its annexures, shall be deemed to be reported in this report.

The Company's compliances of Corporate Governance guidelines, as per LODR Regulations, are as under; however, this report is to be read with Board's Report and all its annexures for more clarity on corporate governance practices of the company:

I. Board of Directors

Composition and Responsibilities

The size and composition of the Board commensurate with the Company's future growth plans and also conforms to the requirements of the Corporate Governance Code under the LODR Regulations. The Company has total 7 Directors on the Board as on March 31, 2021, comprising of One Executive Director cum Chairperson, One Non-Executive and Non Independent Director and five Independent Directors (including two women directors).

The Board of the Company has devised a policy for orderly succession for appointments to the Board and to Senior Management.

The responsibilities of the Board include charting out business plans; devising corporate strategy; brand equity; formulation of policies; new initiatives; other management matters; performance review and control and ensuring that the targeted objectives are met on a consistent basis. In all, the Board of Directors of Nureca Limited believes to ensure compliance of all the applicable laws of the land, in letter as well as in spirit.

Information as per LODR Regulations has been placed before the Board for its consideration. The Board reviews material compliances of all extant laws applicable to the Company as affirmed by the Management.

None of the Directors on the Board holds the office of:

- i) Director in more than 20 companies or
- ii) Director in more than 10 public companies including private companies which are holding or subsidiaries of public companies or
- iii) Director of more than 7 listed companies or
- iv) Independent Director of more than 7 listed companies or
- v) Independent Director of more than 3 listed companies in case of director who is Whole-time director of a listed company or
- vi) Memberships in Committees of the Board in more than 10 Audit Committees and Stakeholders Relationship Committees or
- vii) Chairpersonship of more than 5 Audit Committees and Stakeholders Relationship Committees.

Non-Executive Directors' Compensation

Apart from receiving sitting fee for attending the meetings of the Board/ committees, there were no pecuniary relationships or transactions between the Company and the Non-Executive and Independent Directors

Number of Meetings of the Board

During the financial year 2020-2021, Twelve Board meetings were held on May 04, 2020, June 10, 2020, July 13, 2020, July 29, 2020, July 31, 2020, September 03, 2020, October 21, 2020, October 29, 2020, November 10, 2020, January 19, 2021, January 29, 2021 and February 22, 2021.

The names and categories of the Directors on the Board, their attendance at the Board meetings during the financial year 2020-21 and at the last Annual General Meeting ("AGM"), as also the number of directorship, committee Memberships and committee Chairpersonship held by them in other companies are given below:

Name and designation of Directors	Category of Director	Number of Board Meetings attended	Attendance at the last AGM	Number of outside Directorship held as on March 31, 2021	Number of Board Committees of other companies in which		Directorship in other Listed Entity and Category of directorship
					Member	Chairperson	
Mr. Saurabh Goyal (Chairperson and Managing Director) (Date of Appointment September 03, 2020)	Promoter & Managing Director	12	Present	5	Nil	Nil	Nil
Mr. Rajinder Sharma*	Non-Executive Director	11	Present	4	Nil	Nil	Nil
Mr. Rajneesh Kaushal (Date of Appointment June 10, 2020 and Date of Resignation October 21, 2020)	Additional Director	5	Not Present	3	Nil	Nil	Nil
Ms. Smita Goyal (Date of Appointment October 21, 2020 and date of Resignation March 26, 2021)	Non- Executive Director	3	Present	Nil	Nil	Nil	Nil
Ms. Ruchita Agarwal (Date of Appointment October 29, 2020)	Independent Director	4	Not Present	Nil	Nil	Nil	Nil
Ms. Charu Singh (Date of Appointment October 21, 2020)	Independent Director	4	Not Present	1	Nil	Nil	Nil
Mr. Vijay Kumar Sharma (Date of Appointment October 21, 2020)	Independent Director	4	Not Present	6	3	3	1. Tata Steel Limited (Non-Executive - Non Independent Director) 2. Reliance Power (Independent Director) Limited 3. Mahindra and Mahindra Limited (Non-Executive - Nominee Director)
Mr. Vikram Chaudhery (Date of Appointment March 29, 2021)	Independent Director	NA	NA	1	1	Nil	Nil

Mr. Nitin Ravindra Bidikar (Date of Appointment March 29, 2021)	Independent Director	NA	NA	NIL	NIL	NIL	NIL
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*Mr. Rajinder Sharma has resigned from the directorship w.e.f July 31, 2021

None of the Directors are related to each other.

None of the Non-Executive Directors of the company holds any equity shares of the company.

During the financial year, none of the Independent Directors of the company served resignation form the company.

II. Code of Conduct

The Board of Directors adopted the Code of Conduct as per the provisions under LODR Regulations. The same has been posted on the Company's website

<https://www.nureca.com/wpcontent/uploads/2021/07/CODE%20OF%20CONDUCT%20FOR%20BOARD%20OF%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT.pdf?t=1629289536>

All Board members and senior management personnel affirmed compliance with the Code. A declaration to this effect signed by Mr. Aryan Goyal, Chief Executive Officer is attached to this Report.

III. Audit Committee

The Audit Committee was constituted on 29th October, 2020 with three members comprising of Ms. Charu Singh (Chairperson), Ms. Smita Goyal (Member) and Ms. Ruchita (Member). However, due to the resignation of Ms. Smita Goyal on March 26, 2021, the Committee was reconstituted as under:

Sr. No.	Name of Director	Category	Status
1.	Ms. Charu Singh	Independent Director	Chairperson
2.	Mr. Saurabh Goyal	Managing Director	Member
3.	Ms. Ruchita Agarwal	Independent Director	Member
4.	Mr. Vikram Chaudhery	Independent Director	Member

The terms of reference to the Audit Committee are in compliance to Section 177 of Companies Act, 2013 and LODR Regulations and other applicable laws, which, inter-alia, includes:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required being included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the 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 listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
- (21) Reviewing the utilization of loans and/ or advances from/ investment by the Company in its subsidiary(ies) exceeding rupees 100 crore or 10% of the asset size of the respective subsidiary(ies), whichever is lower including existing loans/ advances/ investments.

During the year under review Three meetings of the Audit Committee were held the dates being November 9, 2020, January 18, 2021 and February 22, 2021.

The attendance of the members/permanent invitee at the Audit Committee meetings was as follows:

Name	Category of member of Committee	Number of meetings held during the tenure of each member	Number of meetings attended during the year
Ms. Charu Singh (Chairperson)	Independent Director	3	3
Ms. Ruchita Agarwal	Independent Director	3	3
Ms. Smita Goyal	Non-Executive Director	3	3
Mr. Saurabh Goyal*	Managing Director	NA	NA
Dr. Vikram Chaudhery*	Independent Director	NA	NA

* Mr. Saurabh Goyal and Dr. Vikram Chaudhery were appointed as Member of the Committee on March 29, 2021.

The Chief Executive Officer, Chief Financial officer of the Company and representatives from M/s B.S.R & CO, LLP, Statutory Auditors of the Company, as considered appropriate, attended the meetings as invitees, while Company Secretary, acts as the Secretary to the Committee.

IV. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on 29th October, 2020 with three members comprising of Ms. Charu Singh (Chairperson), Ms. Ruchita Agarwal (Member) and Mr. Rajinder Sharma (Member)

During the financial year ended on March 31, 2021, two meetings of the committee were held on October 29, 2020 and January 17, 2021.

The Attendance of the members of Nomination and Remuneration Committee meeting was as follows:

Name	Category of member of Committee	Number of meetings held during the tenure of each member	Number of meetings attended during the year
Ms. Charu Singh	Independent Director	2	2
Ms. Ruchita Agarwal	Independent Director	2	1
Mr. Rajinder Sharma	Non-Executive Director	2	2

The terms of reference Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of independent directors and the Board
- Devising a policy on Board diversity
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

- vi) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
- vii) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee
- viii) Recommending to the Board, all remuneration, in whatever form, payable to senior management of the Company

The Nomination, Remuneration and Evaluation Policy is formulated by the Nomination and Remuneration Committee and approved by the Board. The weblink of said Policy has been provided in Board's report.

V. Risk management

The Provisions regarding Risk Management became applicable to the Company consequent upon the amendment dated May 05, 2021 in the LODR regulations. Accordingly, Company constituted Risk management Committee in the Board Meeting held on June 16, 2021

The Company has constituted a Risk Management Committee with:

1. Mr. Nitin Ravindra Bidikar, Chairperson
2. Mr. Saurabh Goyal, Member
3. Ms. Charu Singh, Member
4. Mr. Santosh Kumar Srivastava, Member

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

The terms of reference of the committee are to, inter-alia:

- (1) To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

VI. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the company was constituted on 29th October, 2020 with three directors including Ms. Smita Goyal as its Chairperson Ms. Charu Singh and Mr. Rajinder Sharma as its members.

However, due to the resignation of Ms. Smita Goyal on March 26, 2021, the Committee was reconstituted as under:

Sr. No.	Name of Director	Category	Status
1	Ms. Ruchita Agarwal	Independent Director	Chairperson
2	Mr. Saurabh Goyal	Managing Director	Member
3	Ms. Charu Singh	Independent Director	Member

The Company Secretary acts as the Secretary of the Committee and also the Compliance officer of the Company. The Committee focuses on strengthening investor relations and performs the following functions:

- (i) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (ii) Review of measures taken for effective exercise of voting rights by shareholders
- (iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- (iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company
- (v) Carrying out any other function contained in the LODR Regulations as and when amended from time to time.

As on March 31, 2021, 100% of the Company's shares are held in electronic (Demat) form.

During the financial year ended on March 31, 2021, two meeting of the committee was held on March 14, 2021 and March 19 2021, which was attended by all its members

All the complaints received during the year were redressed fairly and expeditiously to the complete satisfaction of the respective shareholders.

During the year under review, the Company successfully launched IPO and 1284 complaints received and redressed.

Quarter-wise details of complaints during 2020-21:

*There was no Complaint received during the Quarters commencing from April-December as Company got its listed status on February 25, 2021. However, 41 Complaints were received and resolved during the quarter commencing from January-March 2021.

Reconciliation of share capital Audit

The Company conducts a Reconciliation of Share Capital audit on a quarterly basis in accordance with requirements of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31.12.2002.

The Company got its listed status on February 25, 2021 the provisions the said circulars was applicable on the Company from the Quarter ending March 31, 2021.

The Practicing Company Secretary was appointed by the Company to conduct such audit. The Reconciliation of Share Capital Audit Report, which was submitted to the stock exchanges within the stipulated period, inter-alia certifies that the Company's equity shares held in the dematerialised form and in the physical form confirm with the issued and paid-up equity shares capital of the Company.

Compliance Certificate in terms regulation 40 (9) of the LODR Regulations

As per the provisions of regulation 40 (9) of the LODR Regulations, the Company has obtained the Compliance Certificate on half-yearly basis from Practicing Company Secretaries, to the effect that all transfer of shares among others, were effected within the stipulated time.

The Company got its listed status on February 25, 2021 the provisions of the set circular was applicable on the company from the quarter ended March 31 2021.

The Compliance certificate duly signed by the Compliance officer of the Company and the authorized representative of the Registrar and Share Transfer agent (RTA), with a confirmation that all activities of share transfer facility (both physical and electronic) are maintained by RTA, registered with the SEBI for the Half year ended March 31, 2021 was submitted with the stock exchanges within the prescribed time limit.

Reporting as per para F of Schedule V of the LODR Regulations

As required under para F of Schedule V of the LODR Regulations, the details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are as under:

At the time of listing	Aggregate number of shareholders	1
	Outstanding shares in the suspense account	35
Number of shareholders who approached issuer for transfer of shares from suspense account during the year		Nil
Number of shareholders to whom shares were transferred from suspense account during the year		Nil
Number of shares which are transferred to IEPF Authority pursuant to Sections 124(6) and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (IEPF) (Accounting, Audit, Transfer and Refund) Rules, 2016		Nil
At the end of the year i.e. March 31, 2021	Aggregate number of shareholders	1
	Outstanding shares in the suspense account	35

Further, the voting rights on these shares will remain frozen till the rightful owner of such shares claims the shares.

Compliances regarding insider trading

The Company had in place a 'Code of Conduct for Prevention of Insider Trading' and 'Code of Fair Disclosures', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The codes referred above are placed on the Company's website <https://www.nureca.com/wp-content/uploads/2021/03/Code-Of-Conduct-For-Prevention-Of-Insider-Trading.pdf>. The said codes were adhered during the year under review.

VI. Other committees

A. Corporate Social Responsibility ("CSR") Committee:

The Corporate Social Responsibility Committee was constituted on 29th October, 2020 with three members comprising of Mr. Saurabh Goyal (Chairperson), Ms. Charu Singh (Member) and Mr. Rajinder Sharma (Member).

During the financial year ended on March 31, 2021, one meeting of the committee was held on October 29, 2020

Name	Category of member of Committee	Number of meetings held during the tenure of each member	Number of meetings attended during the year
Mr. Saurabh Goyal Chairperson	Chairperson & Managing Director	1	1
Ms. Charu Singh (Member)	Independent Director	1	1
Mr. Rajinder Sharma (Member)	Non-Executive Director	1	1

B. IPO Committee

The IPO constituted was on 29th October, 2020 with three members comprising of Mr. Saurabh Goyal (Chairperson), Ms. Smita Goyal (Member) and Mr. Rajinder Sharma (Member) to oversee the IPO and related Compliances.

The Company Secretary acts as the Secretary of the Committee and also the Compliance officer of the Company.

During the financial year ended on March 31, 2021, four meetings of the committee were held on January 29, 2021, February 08, 2021, February 12, 2021, and February 23, 2021.

The attendance of the members of IPO Committee meetings was as follows:

Name	Category of member of Committee	Number of meetings held during the tenure of each member	Number of meetings attended during the year
Mr. Saurabh Goyal Chairperson	Chairperson & Managing Director	4	3
Ms. Smita Goyal (Member)	Non-Executive Director	4	4
Mr. Rajinder Sharma (Member)	Non-Executive Director	4	4

The IPO Committee stands dissolved on June 16, 2021.

C. The details of other committees of Board, its members and date of their meeting are as under:

Name of the Committee	Members
Management Committee	1. Mr. Saurabh Goyal, Chairman & Managing Director (Chairperson) 2. Mr. Aryan Goyal, Chief Executive Officer (Member) 3. Mr. Gurvikram Singh, Company Secretary (Member)

The attendance of the members of Management Committee meetings was as follows:

Name	Category of member of Committee	Number of meetings held during the tenure of each member	Number of meetings attended during the year
Mr. Saurabh Goyal (Chairperson)	Chairman & Managing Director	4	4
Mr. Aryan Goyal (Member)	Chief Executive Officer	4	4
Mr. Rajinder Sharma*	Director	3	3
Mrs. Smita Goyal* (Member)	Director	3	3
Mr. Gurvikram Singh* (Member)	Company Secretary	1	1

*On March 26, 2021, Mrs. Smita Goyal cease from being member of the Committee.

*On March 30, 2021, Mr. Rajinder Sharma cease from being member of the Committee and Mr. Gurvikram Singh joined as Member of the Committee.

The meetings of above committees are held as and when its members think appropriate or necessary to discuss the matters within their terms of reference.

VII. General Body meetings

Details of the last three AGMs held

- 04th AGM: October 30th, 2020 at 11.00 am and venue of the meeting at the Registered office of the Company i.e. 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon East Mumbai City
- 03rd AGM: August 20, 2019 at 11.00 am at the registered office of the Company i.e. 103/104, Orbit Plaza, New Prabhadevi Marg, Mumbai City- 400025
- 02nd AGM: September 30, 2018 at 3.00 pm at the at the Registered office of the Company i.e. S-401, II Floor, Greater Kailash, Part II, New Delhi

Five Extraordinary General Meeting held on May 28, 2020, June 19, 2020, July 30, 2020, August 31, 2020 and September 04, 2020 ("EGM") at the Corporate office and works of the Company i.e. SCO-6-7-8, Sector 9-D, Chandigarh- 160009

Detail of special resolutions:

- At the EGM dated May 28, 2020 the following special resolutions was passed:
 - Increase in Authorised Share Capital of the Company
- At the EGM dated June 19, 2020 the following special resolutions was passed:
 - Approval for Conversion of Company from Private Limited to Public Limited
- At the EGM dated July 30, 2020 the following special resolutions was passed:
 - Increase in Authorised Share Capital of the Company
- At the EGM dated August 31, 2020 the following special resolutions was passed:
 - Issue of Bonus Shares
- At the EGM dated September 04, 2020 the following special resolutions was passed:
 - Issue and offer of 5,00,000 Equity shares of INR 10/- each at premium of INR 90/- each aggregating to INR 100/- each on a private placement basis and/or by way of preferential allotment
 - Keep Statutory Registers of the Company at place other than the Registered office
 - Approval of the Issue of equity shares through Public Issue
 - Consider and approve new set of Articles of Associations
 - Appointment of Managing Director
 - Approval of Related Party Transaction for appointment of Mr. Aryan Goyal as Chief Executive Officer of the Company
 - Approval of Related Party Transaction for appointment of Mrs. Payal Goyal being relative of Mr. Aryan Goyal, as an employee of the company

Apart from the said resolutions, there was no other special resolution passed at the above General Meetings.

No special resolution to be passed through postal ballot is proposed at the ensuing AGM.

VIII Disclosures

- A. The Company had adopted the whistle blower policy since 2020-21. The policy is available on URL: <https://www.nureca.com/wp-content/uploads/2021/03/Whistle-Blower-Policy.pdf>

B. i) Details of compliance with mandatory requirements is given elsewhere in this Report

ii) The Company has also complied with the discretionary requirements as under:

A. The Board

Since the Company has an executive Chairperson, the requirement regarding non-executive Chairperson is not applicable.

B. Un-Modified opinion(s) in audit report

The Company confirms that its financial statements are with unmodified audit opinion.

C. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

C. Related Party Transactions: The details of all transactions, with related parties are placed before the Audit committee and Board and, wherever necessary, approval of members has obtained in their General Meeting.

There was no loan or advances given by the company to its wholly owned subsidiaries. The Investments as on March 31, 2021 in Nureca Technologies Private Limited was INR 76,00,000/- , Nureca Healthcare Private Limited was INR 1,00,000/- and Nureca Inc. was \$ 7,100 only.

The Company had borrowed money amounting to INR 1.46 Million from Trumom Private Limited.

However, the Company had borrowed money amounting to INR 3.90 Million each from Mr. Saurabh Goyal and Mrs. Payal Goyal, Relative of KMP.

There were no materially significant transactions made by the Company with its promoters, Directors or the management and their subsidiaries or relatives, among others, that may have potential conflict with the interests of the Company at large.

However, the general related party disclosures are given in the Notes on Accounts and Form AOC-2 attached to Board's Report.

The transaction with persons or entities belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, if any, are provided in Notes to and forming part of the Financial Statements of the company.

The Senior Management has confirmed to the Board that they have complied with the code of conduct which barred them from entering into any material financial and commercial transactions, where they had (or were deemed to have had) personal interest.

D. Disclosure of accounting treatment: In the preparations of financial statements, the Company followed the accounting standards issued under Companies (Indian Accounting Standards) Rules, 2015, as amended up to date, to the extent applicable.

E. Remuneration of Directors: On February 25, 2021, the Company got its listed status, the provisions of Payment of sitting fees applicable accordingly. The Non-Executive Directors/independent Directors are entitled to sitting fee of INR 10,000 and to Mr. Vijay Kumar Sharma INR 1,00,000 per board meeting attended by them. The sitting fee of INR 1,000 is paid to them for every Committee meeting attended by them. Apart from the sitting fee, the Non-Executive Directors did not have any material pecuniary relationship with the Company.

During the financial year 2020-21, the Company paid the remuneration to Mr. Saurabh Goyal; Chairperson & Managing Director on the terms and conditions of their respective resolutions passed by the Board of Directors and members. The Company is not paying any sitting fee to its Executive Directors.

The details of Directors' remuneration for the financial year ended March 31, 2021:

Name and designation of Director	Sitting fee (INR)	Salaries and perquisites (INR)	Period of service	Number of shares held as on March 31, 2021
Mr. Saurabh Goyal; Managing Director	N.A.	82,23,831	3 years from September 03, 2020	34,99,979
Mr. Rajinder Sharma Non-Executive Director	33000/-	N.A.	Rotational Director (Resigned w.e.f July 31, 2021)	Nil
Ms. Charu Singh Independent Director	34,000/-	N.A.	Appointed from October 21, 2020 for a period of 5 years	Nil
Mr. Vijay Kumar Sharma Independent Director	3,00,000/-	N.A.	Appointed from October 21, 2020 for a period of 5 years	Nil
Ms. Ruchita Agarwal Non-Executive-Independent Director	32,000 /-	N.A.	Appointed from October 29, 2020 for a period of 5 years	Nil
Ms. Smita Goyal Non-Executive Director	23,000/-	N.A.	Appointed October 21, 2020 Resigned on March 26, 2021	7
Mr. Vikram Chaudhery Non-Executive Independent Director	N.A.	N.A.	Appointed on March 29, 2021 for a period of 5 years	Nil
Mr. Nitin Ravindra Bidkar Non-Executive-Independent Director	N.A.	N.A.	Appointed on March 29, 2021 for a period of 5 years	Nil

The Company did not provide any stock option to its directors and employees.

g. Performance Linked incentives:

Based on the approval of shareholders the performance linked incentives provided to Mr. Aryan Goyal, Chief Executive officer of Company amounting to INR 75,00,000 during the year under review.

h. Commodity price risk or foreign exchange risk and hedging activities:

1. This activity is discussed in Management Discussion and Analysis Report under Risk Management.
2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:
The Company does not engage in commodity hedging activities.

i. Terms and conditions of Appointment of Independent Directors:

As per regulation 46(2) of LODR Regulations the terms and conditions of appointment of independent directors are placed on the Company's website www.nureca.com. The maximum tenure of independent directors is in accordance with the Act and LODR Regulations.

A confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in the Act and LODR Regulations and are independent of the management has been provided in Directors Report.

- j. The company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of LODR Regulations.
- k. There is no credit rating obtained by the company or any revisions thereto during the financial year 2020-21, as there are no:
 - (i) debt instruments or
 - (ii) any fixed deposit programme or
 - (iii) any scheme or proposal of the company involving mobilization of funds, whether in India or abroad.
- l. Skills/expertise/competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board are as under:

Skills/expertise/competence	Availability	Directors who have such skills/ expertise/ competence
1. All Round Leadership skills	Yes	Mr. Saurabh Goyal
2. Knowledge of domain of home healthcare and wellness products	Yes	Mr. Saurabh Goyal Dr. Vikram Chaudhery Dr. Shrikant Uttam Tamhane
3. Overall familiarity about Finance, Accounting, Manufacturing, Quality Management Systems, Sales, marketing and business development	Yes	Ms. Charu Singh Mr. Vijay Kumar Sharma Ms. Ruchita Agarwal Mr. Nitin Ravindra Bidikar
4. Risk management Awareness	Yes	Ms. Charu Singh Ms. Ruchita Agarwal Dr. Vikram Chaudhery Mr. Saurabh Goyal Mr. Aryan Goyal
5. Skills in regulations	Yes	Mr. Saurabh Goyal Dr. Vikram Chaudhery
6. OH&S (Occupational health and safety)	Yes	Mr. Saurabh Goyal Dr. Vikram Chaudhery Dr. Shrikant Uttam Tamhane

- m. The Company has successfully launched its Initial Public offer in the month of February 2021 and requisite disclosure accordingly in other part of the report.

There are no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of LODR Regulations.

- n. Certificate from Mr. Prince Chadha of P. Chadha & Associates, Practicing Company Secretary, that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority, is attached to this report.

- o. The board had accepted all recommendations or submissions of all the committees of the board which were mandatorily required for the approval of the Board, in the financial year 2020-21.
- p. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part are as Under:

The Company has paid INR 52,00,000/- towards other services in connection with Initial Public offer and INR 11,45,000/- (excluding GST@ 18%) towards Statutory audit fees, No Tax audit fees to statutory auditors for the company and/ or its subsidiaries.

IX. Means of communication

Quarterly results

The details of quarterly results are published as under:

Quarter	English Daily	Marathi Daily
January-March	Financial Express-All Edition	Navshakti- Mumbai

The Company got its listed status on February 25, 2021. Accordingly provisions of Regulation 47 of LODR Regulations was applicable from February 25, 2021.

The results are also displayed on the company's website.

For Quarter ending March 31, 2021 https://www.nureca.com/wp-content/uploads/2021/06/Nureca_AFR_210331.pdf.

For Quarter ending June 30, 2021 <https://www.nureca.com/wp-content/uploads/2021/07/unaudited-nureca-31-06-21.pdf>.

The official news' are also displayed on the Company's website. Apart from the above, we also regularly provided the information to the Stock Exchanges as per the requirements of the LODR Regulations and the desired information can be accessed from the websites of the respective Stock Exchanges. Other than the annual accounts, the quarterly and half-yearly financial results are not being sent to the household of each shareholder.

The presentations made to institutional investors or analysts, if any, are also disclosed to the Stock Exchanges, from time to time and hosted on the website <https://www.nureca.com/investor-relations/>.

X. PARTICULARS OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

The required information of directors on their appointment/ re-appointments is given in the explanatory statement under section 102 of the Companies Act, 2013 of Notice of ensuing Annual General Meeting.

XI. General Shareholder Information

I.	05th Annual General Meeting	
	Date	Wednesday, September 29, 2021
	Time	09:15 am
	Deemed Venue	Registered office: 128, Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Guregaon E Mumbai MH 400063.
ii.	Financial year	April 1, 2020 to March 31, 2021
iii.	Date of book closure	September 23, 2021 to September 29, 2021
iv.	Dividend payment date	October 28, 2021
v.	The equity shares of INR 10/-each of the Company are listed on	1. The National Stock Exchange of India Limited (NSE) Regd. Office : "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Tel : 91-22-26598100, 66418100 2. BSE Limited (BSE) New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India Tel : 91-22-22721233, 22721234

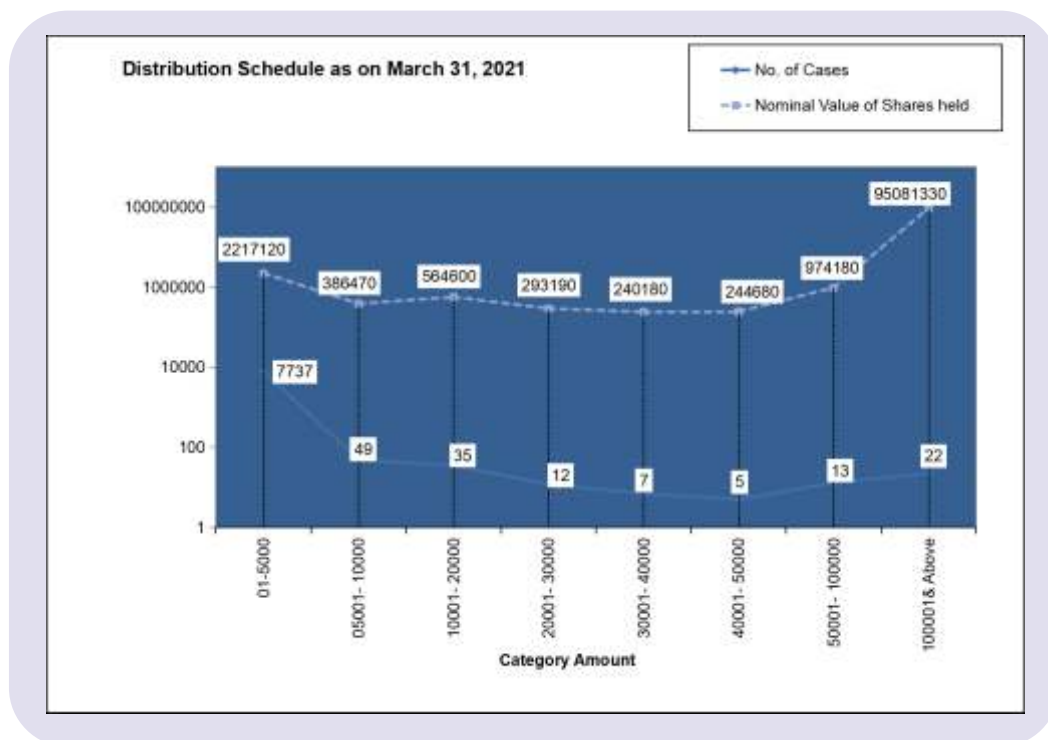
vii.	Listing fee	The annual listing fees have been paid to the above exchanges and there is no outstanding payment towards the exchanges, as on date.					
viii.	Equity shares' stock code / symbol	BSE Code: 543264 NSE Symbol : NURECA					
x.	ISIN of Company's equity shares:	INEODSF01015					
xiii.	Corporate Identification Number (CIN)	L24304MH2016PLC320868					
xiv.	Market price data: The high and low prices of the Company's share (of INR 10/- each) at BSE and NSE were as below:						
	Month	BSE			NSE		
		High Price	Low Price	Total Traded Quantity	High Price	Low Price	Total Traded Quantity
	Feb-21	699.95	603.25	155362	678	584.25	223989
	Mar-21	759.95	559.25	212938	747.45	555.60	782970

Performance of the Company's share price with BSE Sensex and NSE Nifty

- Performance of the Company's share price at BSE in comparison with BSE Sensex
The Company got its Listed Status on February 25, 2021 . Subsequently, No Comparison is applicable.
- Performance of the Company's share price at NSE in comparison with NSE Nifty
The Company got its Listed Status on February 25, 2021 . Subsequently, No Comparison is applicable.

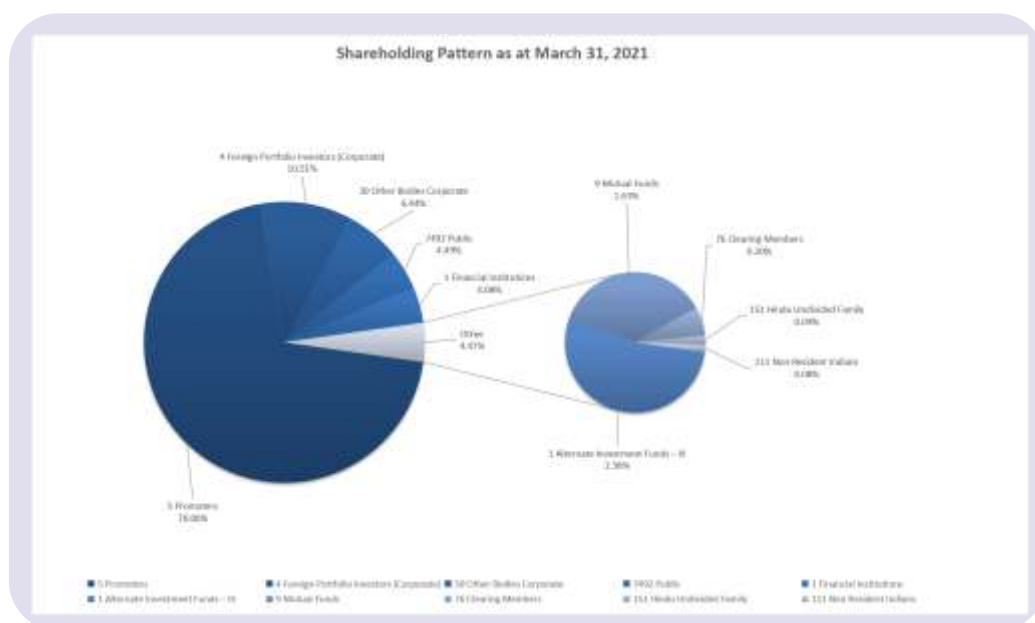
	Registrar and Transfer Agents and contact person thereat	Link Intime India Private Limited Unit: Nureca Limited C-101, 1st Floor, 247 Park, L.B.S Marg, Vikhroli(West) Mumbai-400083, Maharashtra, India Tel: +91 22 49186200 E-mail: rnt.helpdesk@linkintime.co.in
xvii.	Address for correspondence at the Company	Nureca Limited SCO 6-7-8, Sector 9-D, Chandigarh -160 009 Ph. No. +91-172-5292900
xviii.	Compliance Officer and contact person at the Company	Company Secretary E-mail: cs@nureca.com Website: https://www.nureca.com/
xix.	Share transfer system 100% of the shares of the Company are held in dematerialised form. Transfers of these dematerialised shares are done through the depositories with no involvement of the Company.	
xx.	Distribution of shareholding Class-wise distribution of equity shares as on March 31, 2021	

Category (Amount)	Total Cases	Total Cases %	Total Shares	Total Amount INR	Total Amount %
1-5000	7737	98.1853	221712	2217120.00	2.22
5001-10000	49	0.6218	38647	386470.00	0.39
10001-20000	35	0.4442	56460	564600.00	0.56
20001-30000	12	0.1523	29319	293190.00	0.29
30001-40000	7	0.0888	24018	240180.00	0.24
40001-50000	5	0.0635	24468	244680.00	0.24
50001-100000	13	0.165	97418	974180.00	0.97
100001 & Above	22	0.2792	9508133	95081330.00	95.08
TOTAL	7880	100	10000175	100001750	100



b) Shareholding pattern as on March 31, 2021

Category	Number	Total Shares	Total Percentage
Promoters	5	6999993	70.00
Clearing Members	76	29916	0.30
Other Bodies Corporate	30	644074	6.44
Financial Institutions	1	407986	4.08
Hindu Undivided Family	151	9211	0.09
Mutual Funds	9	162863	1.63
Non Resident Indians	111	7633	0.08
Public	7492	449449	4.49
Foreign Portfolio Investors (Corporate)	4	1051278	10.51
Alternate Investment Funds - III	1	237772	2.38
TOTAL :	7880	10000175	100

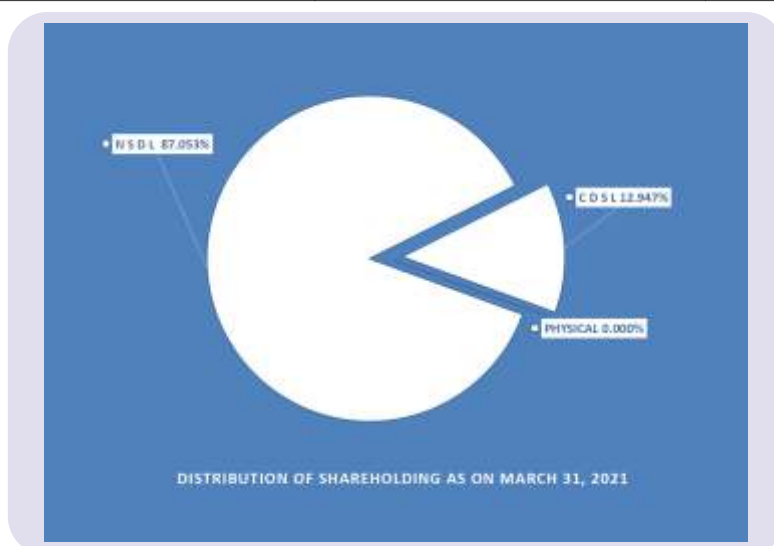


XII. Dematerialisation of Shares and Liquidity

The Company's shares are compulsory traded in dematerialized form. Equity shares of the Company representing 100 % of the Company's share capital were dematerialised as on March 31, 2021.

The Distribution of shareholding of the Company as per the depository system as on March 31, 2021 was as under:

S.no	Category	Total Shares	Percentage
1.	Physical	Nil	Nil
2.	NSDL	8705457	87.053
3.	CDSL	1294718	12.947
	TOTAL	10000175	100



The Company's shares are regularly traded on the National Stock Exchange of India Limited (NSE) and the BSE limited (BSE), in electronic form.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INEODSF01015.

XIII. CEO / CFO certification

As required under LODR Regulations the certificates duly signed by the Chief Executive Officer and the Chief Financial Officer, were placed at the meeting of the Board of Directors held on June 16, 2021.

XIII. Report on corporate governance

This report, read together with the information given in the Board's Report and the chapters on Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on Corporate Governance during the financial year 2020-21. The Company is regularly submitting the quarterly compliance report to the stock exchanges, as required under regulation 27 of the LODR Regulations, 2015 and placing it before the meeting of the Board for their information and noting.

XIV. Auditor's certificate on compliance of conditions of Corporate Governance

Certificate from the auditors on compliance of conditions on Corporate Governance is enclosed along with the Directors' Report.

For and on behalf of the Board of Directors
of **Nureca Limited**

Place: Chandigarh
Date: July 31, 2021

(Saurabh Goyal)
Chairman & Managing Director

Declaration to the Compliance with code of conduct as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Aryan Goyal, Chief Executive Officer of Nureca Limited having its registered office at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai City MH 400063 IN, do hereby certify that the Board of Directors has formulated the code of conduct as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Directors and Senior Management Personnel, which has been posted on the website of the company.

Further, it is hereby confirmed that all the Directors and the Senior Management Personnel have complied with the code of conduct and a confirmation to this effect has been obtained from them for the financial year 2020-21.

For and on behalf of the Board of Directors
of **Nureca Limited**

Date: June 16, 2021
Place: Chandigarh

(Aryan Goyal)
Chief Executive Officer

Certificate Of Non-Disqualification Of Directors

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

To,

The Members of

Nureca Limited

CIN - L24304MH2016PLC320868

128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane,
Goregaon E Mumbai City MH 400063 IN

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nureca Limited [CIN L24304MH2016PLC320868] and having registered office at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E Mumbai City MH 400063 IN (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. Chadha & Associates
Company Secretaries

Place: Chandigarh

Date: June 16, 2021

Prince Chadha
(Prop.)

M. No.: 32856

C.P. No.: 12409

UDIN: A032856C000471822

Certificate by Practicing Company Secretary on compliance with the conditions of Corporate Governance

To

**The members of
Nureca Limited**

1. The Corporate Governance Report prepared by **Nureca Limited** (hereinafter 'the company') contains details as specified in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Requirements") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This report is required by the company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design implementation and maintenance of Internal Control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.

5. We conducted our examination of the Corporate Governance Report in accordance with the conditions as specified in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. The procedures selected depend on the Practicing Company Secretary's judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

7. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 and 8 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended 31 March 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For P. Chadha & Associates
Company Secretaries

Place: Chandigarh
Date: July 31, 2021

Prince Chadha
(Prop.)
M. No.: 32856
C.P. No.: 12409
UDIN: A0328565000713327

Secretarial Audit Report

Form no. MR-3

For the Financial Year ended March 31, 2021

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

The Members,

Nureca Limited

Registered Office: 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon, Mumbai City MH 400063

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Nureca Limited** ("the listed entity") having Corporate Identification Number (CIN) L24304MH2016PLC320868 and registered office at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon, Mumbai City MH 400063 (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

I. Based on our verification of the Company's books, papers, minutes book, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with statutory provisions listed hereunder and also that company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(A) We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended March 31, 2021 according to the provisions of:

1. The Companies Act, 2013 (The Act) and the rules made there under;
 2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 3. The Depositories Act, 1996 and Regulations and Bye-laws framed there under;
 4. 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;
 5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended upto date;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended upto date; and
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients as amended upto date;
 - d. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended upto date and to the extent applicable to the company
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended upto date;

During the period under review, the provision of the following Regulations (as enumerated in the prescribed format of Form MR-3) were not applicable to the Company:

- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; and
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- e. Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013

Management has identified and confirmed the following laws as being specifically applicable to the Company

(i)	Food Safety And Standards Act, 2006
(ii)	The Indian Copyright Act, 1957
(iii)	The Patents Act, 1970
(iv)	The Trade Marks Act, 1999
(v)	The Pharmacy Act 1948
(vi)	Industrial (Development & Regulation) Act, 1951
(vii)	Factories Act, 1948
(viii)	Standards of Weights & Measure Act ,1976

(ix)	Employee's Provident Funds and Miscellaneous Provision Act, 1952
(x)	The Employee's State Insurance Act, 1948
(xi)	The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 & Rules
(xii)	Industrial Employment (Standing Order) Act, 1946
(xiii)	The Maternity Benefit Act, 1961
(xiv)	Punjab Welfare Fund Act, 1965
(xv)	Equal Remuneration Act, 1976
(xvi)	The Workmen's Compensation Act, 1923
(xvii)	The Minimum Wages Act, 1948
(xvii)	The Payment of Wages Act, 1936
(xix)	The Payment of Gratuity Act, 1972
(xx)	The Payment of Bonus Act, 1965
(xxi)	The Contract Labour (Regulation & Abolition) Act, 1970 & Rules
(xxii)	Punjab Industrial Establishment (National & Festival, Holidays, Sick & Casual Leave) Rules, 1966
(xxii)	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
(xxi)	Legal Metrology Act, 2009
(xxv)	The Design Act, 2000

B. We have also examined compliance with the applicable clauses/ provisions of the following:

- (i) Secretarial standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the institute of company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015;
- (iii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review, the Company has generally complied with the provision of the Acts, Rules, Regulations, Guidelines and Standards etc.

- II. We further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the relevant act.
- III. We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

However, Board meetings were called on May 04, 2020; June 10, 2020; July 13, 2020; July 29, 2020; July 31, 2020; September 03, 2020; October 21, 2020; October 29, 2020; November 10, 2020; January 19, 2021; January 29, 2021; February 22, 2021 on shorter notice after due compliance and obtaining requisite consents to transact some urgent matter.

IV. All the decisions of the Board and Committees thereof were carried through with requisite majority.

VI. We further report that the listed entity listed on February 25, 2021 and accordingly this is the first Secretarial Audit Report (Form MR-3) during the audit period no specific events/ actions has taken place which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

IMPORTANT NOTE: We have conducted online verification & examination of records as facilitated by the listed entity due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

For P. Chadha & Associates
Practising Company Secretaries

Place: Chandigarh
Date: June 16, 2021

(Prince Chadha)
ACS 32856,
CP 12409
UDIN: A032856C000471833

To,
The Members,
Nureca Limited
Registered Office: 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon, Mumbai City MH 400063

Our Secretarial Audit Report (Form MR-3) 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of law, rules, regulations and happening of event etc.
5. The compliance of provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit reports is neither an assurances as to the future viability neither of Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For P. Chadha & Associates
Practising Company Secretaries

Place: Chandigarh
Date: June 16, 2021

(Prince Chadha)
ACS 32856,
CP 12409

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:

NIL

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

The company has not entered into any material contract or arrangement or transaction with its related parties which is at arm's length during financial year 2020-21. However, the details of non - material contract or arrangement or transaction with its related parties which are at arm's length during financial year 2020-21, has been given in the notes to the Financial Statements forming part of the Annual Report.

For and on behalf of the Board of Directors

Place: Chandigarh
Date: June 16, 2021

(Saurabh Goyal)
Chairperson and Managing Director
DIN: 00136037

REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Nureca Limited (hereinafter referred as NL or 'the Company') believes that the actions of the organization and its community are highly inter-dependent. Through constant and collaborative interactions with our external stakeholders, NL strives to become an asset in the communities. As per our CSR we actively implement Projects and initiatives for the betterment of society, communities and the environment.

The objective of this policy is to do continuously and consistently:

- Initiate projects that benefit communities;
- Encourage an increased commitment from employees towards CSR activities and volunteering.
- Generate goodwill in communities where NLL operates or are likely to operate;

A brief overview of company's CSR projects and programs is as under:

The Competent Foundation, Sector 18 D, Chandigarh which is engaged in: works towards the upliftment of those who cannot afford the basic amenities in life. Our motto is: Help Ever, Hurt Never. We are involved in various philanthropic activities including but not limited to: -

- a) Opening, running and aiding dispensaries, medical clinics, hospitals, nursing or dental or medical college; run classes, schools, institutes, colleges etc;
- b) To help poor and underprivileged people including beggars, orphans, deserted children's and destitute women by rendering one time or daily, monthly or yearly contributions and/or to render help in organizing and financing group feeding, distribution of any items such as clothes, shoes or study materials etc vocational guidance, individual or group marriages, health camps, religious camps either through this society or jointly with any other organization;
- c) To construct and/or run or contribute towards the expenses of temples or places of worship or places to be used for allied purpose;
- d) To write, compile, translate, sketch, photograph, paint, produce and / or publish material in the shape of books, cassettes, CDs, movies animations, slide shows, paintings, pictures, graphics, cards, posters, handouts or any other technological or manual mode on topics that are religious, inspirational, cultural, patriotic and/or moralistic in nature either directly or indirectly for spreading good values; and to make such material available to the public to promote awareness of Divinity and goodness.
- e) To organize musicals, programs, shows talks, symposium, seminars, competitions, contests on allied topics to inspire and educate people on the importance of human values and spirituality.
- f) To aid any entity, working independently in the pursuance of activity similar to any of the above mentioned.

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

2. The composition of the CSR Committee

Sr. 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
The details are provided in the Corporate Governance Report which forms and part of Board's Report.				

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

Company's CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy upto financial year ("FY") 2020-21 may be accessed on the Company's website at the link:

<https://www.nureca.com/wp-content/uploads/2021/03/CSR-Policy.pdf>

The CSR Policy for the FY 2021-2022 and onwards may be accessed on the Company's website at the link:

https://www.nureca.com/wp-content/uploads/2021/07/CSR_Policy_%202021-22.pdf? t=1630993106

The Composition of CSR committee of the Company may be accessed on the Company's website at the link:

<https://www.nureca.com/investor-relations/#1619713290739-12cde66a-c7c1>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (In INR)	Amount required to be set-off for the financial year, if any (In INR)
1	Not Applicable		
	Total		

INR in Millions

6	Average net profit of the company for last three financial years:	28.97
7	(a) Prescribed CSR Expenditure (two percent of the amount):	0.58
	(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).	0.58

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

Total Amount Spent for the Financial Year. (In INR)	Amount Unspent (In INR)	
	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
0.76 Million	NA	NA	NA	NA	NA

b. Details of CSR Amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration	Amount allocated for the project (in INR)	Amount spent in the current financial Year (in INR).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR registration number
1	Preventive Healthcare	Promoting preventive healthcare	Yes	Chandigarh		Chandigarh	Perpetual	0.76 Million	0.76 Million	No, through implementing agency	Competent Foundation	CSR0006232

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

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in INR) in Millions.	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1	Nil	Nil	Nil	Nil		Nil	Nil	Nil	Nil

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable

Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

INR 0.76 Million

g) Excess amount for set off, if any

Sr. No.	Particular	Amount (In INR)
(I)	Two percent of average net profit of the company as per section 135(5)	0.58 Million
(ii)	Total amount spent for the Financial Year	0.76 Million
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.18 Million
(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)]	0.18 Million

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

Sr. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under section 135(6) (In INR)	Amount Spent in the reporting Financial Year (In INR)	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 INR)
	Not Applicable				
	Total				

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

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (In INR)	Amount spent on the project in the reporting Financial Year (In INR)	Cumulative Amount spent at the end of reporting Financial Year (In INR)	Status of the project – Completed / Ongoing
Not Applicable								

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

(a) Date of creation or acquisition of the Capital Asset(s).

Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset.

Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Not Applicable

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

Not Applicable

Mr. Aryan Goyal
Chief Executive Officer

Mr. Saurabh Goyal,
Chairperson and Managing Director
(Chairperson CSR Committee)

Place: Chandigarh
Date: June 16, 2021

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Whole time Director to the median remuneration of the Employees of the Company for the Financial Year 2020-21, the percentage increase in remuneration of Managing Director, Whole time Directors (WTD), Chief Financial Officer and Company Secretary during the Financial Year 2020-21:

S. No.	Name of the Director/ KMP	Designation	Ratio of Remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1.	Saurabh Goyal	Chairman & Managing Director	18.99:1	-
2.	Aryan Goyal	Chief Executive Officer	NA	-
3.	Sakshi Mittal	Chief Financial Officer	NA	-
4.	Gurvikram Singh	Company Secretary*	Na	-

Note:

- The Non- Executive Directors of the Company are entitled for sitting fee only as per the statutory provisions. The details of remuneration of Non- Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non- Executive Directors Remuneration is therefore not considered for the purpose above.
 - Percentage increase in remuneration is not applicable as Directors/KMP are employed during the year
- The percentage increase in the median remuneration of Employees for the financial year: is not applicable as during the financial year 2019-20, the Company does not have any employee
 - The Company has 80 permanent Employees on the rolls of Company as on March 31, 2021.
 - Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: is not applicable as during the Financial year 2019-20 does not have any employee
 - It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company: Yes

** Provisions not applicable on the Company in the Previous Year as Company got its equity shares listed on February 25, 2021*

Place: Chandigarh
Date: July 31, 2021

For and on behalf of the Board of
Directors
Of **Nureca Limited**

Saurabh Goyal
Chairperson and Managing Director

Statement of particulars as prescribed under Rule 8 (3) of the Companies (Account) Rules, 2014**A) Conservation of energy****(i) Steps taken or impact on Conservation of energy**

Our direct energy consumption arises from electricity used in the offices, warehouse and manufacturing location. We continue to seek opportunities to improve our energy use and have consumed 207.42 GJ of energy leading to 45.51 tCO₂e scope 2 emission in the reporting year.

(i i) Steps taken by the Company for utilising alternate sources of energy

Our product line also features many energy efficient products for example, our foot and calf massagers (item nos. 1008, 1022, 1024) are extremely energy efficient and consume only 80W, 80W and 40W respectively when in use. The items also come in environment friendly packaging. Another one of the products - Gold standard USA currency cash note counting Machine 3001 consumes only 70W when in use. It is also equipped with an LCD sleep feature which results in zero power consumption when it is not counting currency.

(i i i) The capital investment on energy conservation equipments: NIL**B) Technology Absorption****(i) Efforts made towards technology absorption**

The Company has been at the forefront of innovation in the home health care solutions industry as we continue to bring innovative products to the market at affordable products. Our team is working on connected devices technology to improve user experience with seamless transition of health data in our place.

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

Not applicable

(iii) Information in case of imported technology (imports during last three years)

Not applicable

(iv) Expenditure on R & D

During the year under the review Company has not made any Expenditure on Research and Development.

C) Foreign exchange earnings and outgo**(i) During the year 2020-21, the Company had exported its Healthcare products to the country of Nepal. Further, the Company is making all efforts to export its products to new countries & new markets and to expand its export portfolio.**

(ii)	a)	Foreign exchange earned in terms of actual inflow during the financial year ended on March 31, 2021:	INR 1.88 Millions
	b)	Foreign exchange outgo in terms of actual outflow during the financial year ended on March 31, 2021:	INR 300.73 Millions

Place: Chandigarh

Date: June 16, 2021

For and on behalf of the Board of Directors
Of **Nureca Limited**

Saurabh Goyal
Chairperson and Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of Nureca Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the standalone financial statements of Nureca Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

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

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition – fraud risk Refer to note 2.3.7 and 21 to the standalone financial statements	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:
Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. There is presumed fraud risk as per Standards on Auditing with regard to revenue recognition. We focussed on this area since there is a risk that revenue may be overstated because of fraud, resulting from the pressure, the Board of Directors may feel to achieve performance targets. Also, revenue is a key performance indicator for the Company which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement.	- We assessed the appropriateness of the accounting policies in respect of revenue recognition with reference to the applicable accounting standards. - We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions selected using random sampling. - We performed testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year. For such samples, verified the underlying documents, including invoices, purchase orders and customer acceptances, to assess whether revenue is recognised in the appropriate period in which control is transferred.
In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.	- We performed analytical procedures on revenue recognised during the year to identify any unusual variances. - We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate reporting period. - We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items. - We assessed the adequacy of the disclosures made in accordance with the relevant accounting standard.

4. Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The 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 standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

7. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 and 02 April 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Chandigarh
Date: 16 June 2021

For **BSR & Co. LLP**
 Chartered Accountants
 Firm's Registration No.: 101248W/W-100022

Gaurav Mahajan
 Partner
 Membership No. 507857
 UDIN No.: 21507857AAAABA2108

Annexure A referred to in paragraph 7(1) of the Independent Auditors' Report to the Members of Nureca Limited for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property. Accordingly, paragraph 3(i)(c) of the order is not applicable.
- (ii) According to the information and explanation given to us, the inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account. For inventory lying with third parties at year-end, the stock listing has been obtained from online portal of third parties.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies covered in the register maintained under Section 189 of the Act. Further, there are no limited liability partnerships, firms and other parties covered in the register required under section 189 of the Act.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans and investments made by the Company, the provisions of section 185 and 186 of the Act have been complied with. As informed to us, the Company has not provided any guarantee or security as specified under section 185 or 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the deposits taken by the Company are not covered under the provision of section 73 to 76 or other provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Employees' State Insurance, Duty of Customs, Cess and other material statutory dues have been regularly deposited by the Company with the appropriate authorities. Undisputed dues relating to Goods and Services tax, Provident fund and Income Tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases, which were deposited prior to year end.

According to the information and explanations given to us, no undisputed amounts Provident fund, Income Tax, Goods and Services tax, Employees' State Insurance, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they become payable except as follow:

INR in million

Name of the Statute	Nature of Dues	Amount *	Period to which amounts relates	Due Date	Date of Payment	Remarks (if any)
		5.37				
Income Tax Act. 1961	Income Tax		August 2020	07 September 2020	30 April 2021	-

*including interest as applicable

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

(b) According to information and explanation given to us, there are no dues of Sales tax, Value added tax, Income Tax, Service tax, Duty of Excise, Duty of custom and Goods and Service Tax which have not been deposits with the appropriate authorities on account of any dispute.

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of borrowing to the bank during the year. The Company did not have any loans or borrowings from Financial Institution, Government and did not issue any debentures during the year nor has any outstanding debentures as at the balance sheet date.
- (ix) During the year, the Company has raised Rs. 967.79 million by way of initial public offering (IPO) of fresh equity shares. According to the information and explanations given to us and based on our examination of the records of the Company, Rs. 190.53 million have been utilized for the purpose for which it was raised and Rs. 777.26 million of proceeds of the IPO remained unutilised till year end. As further informed to us, the Company has not raised any money by way of term loan or debt instruments.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the provision of section 197 read with Schedule V of the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, in respect of private placement of shares made during the year, the Company has duly complied with the requirements of section 42 of the Act. The proceeds from issue of equity shares have been used for the purpose for which the funds were raised. The Company has neither made any preferential allotment of shares nor issued any fully or partly debenture during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN No.: 21507857AAAABA2108

Place: Chandigarh
Date: 16 June 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of Nureca Limited for the period ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 7 II (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Nureca Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the 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 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

Place: Chandigarh
Date: 16 June 2021

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W / W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN No.: 21507857AAAABA2108

Standalone Balance sheet as at 31 March 2021**(Amount in INR million, unless otherwise stated)**

Particulars	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Assets				
(1) Non-current assets				
(a) Property, plant and equipment	3a	4.38	4.55	1.21
(b) Right-of-use assets	4	29.29	6.09	4.30
(c) Intangible assets under development	3b	3.02	-	-
(d) Financial assets				
- Investments	5	8.16	0.46	0.46
- Loans	6	0.85	0.25	0.02
(e) Deferred tax assets (net)	29	5.52	0.42	0.07
Total non-current assets		51.22	11.77	6.06
(2) Current assets				
(a) Inventories	7	367.76	164.26	135.49
(b) Financial assets				
- Trade receivables	8	36.98	128.97	88.59
- Cash and cash equivalents	9	169.99	0.39	0.84
- Other bank balances	10	1,094.50	-	-
- Loans	6	5.18	-	-
- Other financial assets	11	16.18	19.88	-
(c) Other current assets	12	117.00	13.34	4.47
Total current assets		1,807.59	326.84	229.39
Total assets		1,858.81	338.61	235.45
Equity and liabilities				
(1) Equity				
(a) Equity share capital	13	100.00	0.10	0.10
(b) Other equity	14	1,532.92	149.60	85.55
Total equity		1,632.92	149.70	85.65
Liabilities				
(2) Non-current liabilities				
(a) Financial liabilities				
- Borrowings	15	33.36	93.45	2.60
(b) Provisions	16	4.51	1.01	0.29
Total non-current liabilities		37.87	94.46	2.89
(3) Current liabilities				
(a) Financial liabilities				
- Borrowings	15	1.46	-	-
- Trade payables	17		-	-
- total outstanding dues of micro and small enterprises		5.09	-	-
- total outstanding dues of creditors other than micro and small enterprises		82.53	58.51	97.60
- Other financial liabilities	18	3.38	4.13	48.19
(b) Other current liabilities	19	50.47	8.12	1.03
(c) Provisions	16	0.70	0.08	0.03
(d) Current tax liabilities (net)	20	44.39	23.61	0.06
Total current liabilities		188.02	94.45	146.91
Total liabilities		225.89	188.91	149.80
Total equity and liabilities		1,858.81	338.61	235.45

Significant accounting policies 2
Notes to the standalone financial statements 3-40

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Gaurav Mahajan

Partner

Membership Number : 507857

Place: Chandigarh
Date: 16 June 2021

For and on behalf of Board of Directors of Nureca Limited**Saurabh Goyal**

Managing Director

DIN : 00136037

Place: Chandigarh

Date: 16 June 2021

Nishant Garg

Chief Financial Officer

Place: Chandigarh

Date: 16 June 2021

Rajinder Sharma

Director

DIN : 00317133

Place: Chandigarh

Date: 16 June 2021

Gurvikram Singh

Company Secretary

Membership Number: 60255

Place: Chandigarh

Date: 16 June 2021

Aryan Goyal

Chief Executive Officer

Place: U.S.A.

Date: 16 June 2021

Standalone Statement of Profit and Loss for year ended 31 March 2021*(Amount in INR million, unless otherwise stated)*

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I Revenue from operations	21	2,133.31	994.26
II Other income	22	28.17	0.61
III Total income (I + II)		2,161.48	994.87
IV Expenses			
Purchase of stock-in-trade	23	1,199.00	674.85
Changes in inventories of stock-in-trade	24	(205.30)	(28.82)
Employee benefits expense	25	45.83	31.57
Finance costs	26	15.97	7.70
Depreciation expense	27	4.09	3.74
Other expenses	28	476.96	219.60
Total expenses (IV)		1,536.55	908.64
V Profit before tax (III-IV)		624.93	86.23
VI Tax expense:			
(i) Current tax	29	164.69	22.47
(ii) Deferred tax	29	(5.10)	(0.34)
Total tax expense		159.59	22.13
VII Profit for the year (V-VI)		465.34	64.10
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit obligation		0.12	(0.06)
Income tax relating to remeasurement of defined benefit obligation		(0.03)	0.01
Items that will be reclassified to profit or loss			
(i) Net change in fair value of equity instruments through other comprehensive income (FVOCI)		-	(0.00)
Income tax relating to net change in fair value of equity instruments through other comprehensive income		-	-
Total other comprehensive income/(loss) for the year (net of tax)		0.09	(0.05)
IX Total comprehensive income for the year (VII+VIII)		465.43	64.05
Earnings per equity share			
Basic and diluted [nominal value of INR 10 per share]	30	62.25	9.16

Significant accounting policies 2
Notes to the standalone financial statements 3-40

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

**For and on behalf of Board of Directors of
Nureca Limited**

Gaurav Mahajan
Partner
Membership Number : 507857

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 16 June 2021

Rajinder Sharma
Director
DIN : 00317133
Place: Chandigarh
Date: 16 June 2021

Aryan Goyal
Chief Executive Officer
Place: U.S.A.
Date: 16 June 2021

Place: Chandigarh
Date: 16 June 2021

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 16 June 2021

Gurvikram Singh
Company Secretary
Membership Number: 60255
Place: Chandigarh
Date: 16 June 2021

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

A Equity share capital

Particulars	Notes	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		10,000	0.10	10,000	0.10	10,000	0.10
Add: Share capital issued pursuant to scheme of arrangement	38	1,000,000	10.00	-	-	-	-
Less: Share capital cancelled pursuant to scheme of arrangement	38	(10,000)	(0.10)	-	-	-	-
Add: Bonus share issued during the year	13(d)	6,000,000	60.00	-	-	-	-
Add: Shares issued on private placement basis	13(e)	500,000	5.00	-	-	-	-
Add: Fresh issue through initial public offering	13(f)	2,500,175	25.00	-	-	-	-
Balance at the end of the year		10,000,175	100.00	10,000	0.10	10,000	0.10

B Other equity (Refer note 14)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Reserves and surplus		Other comprehensive income	Total equity
			Capital Reserve	Securities premium	Net change in fair value of equity instruments through other comprehensive income	
Balance as at 1 April 2019	10.00	(0.10)	(12.96)	-	-	85.55
<i>Total comprehensive income for the year</i>						
Add : Profit for the year	-	-	-	-	(0.00)	64.10
Add : Other comprehensive income/loss (net of tax) for the year	-	-	-	-	-	(0.05)
Total comprehensive income for the year	10.00	(0.10)	(12.96)	-	(0.00)	149.60
Add/Less: Transfer to retained earnings	-	-	-	-	(0.00)	-
Balance as at 31 March 2020	10.00	(0.10)	(12.96)	-	-	149.60
Balance as at 1 April 2020	10.00	(0.10)	(12.96)	-	-	149.60
<i>Total comprehensive income for the year</i>						
Add : Profit for the year	-	-	-	-	-	465.34
Add : Other comprehensive income/loss (net of tax) for the year	-	-	-	-	-	0.09
Total comprehensive income for the year	10.00	(0.10)	(12.96)	-	-	615.03

Contd...

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

B Other equity (Refer note 14)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Capital Reserve	Reserves and surplus Securities premium	Retained earnings	Other comprehensive income Net change in fair value of equity instruments through other comprehensive income	Total equity
Add: Share capital cancelled pursuant to scheme of arrangement	-	0.10	-	-	-	-	0.10
Less: Share capital issued pursuant to scheme of arrangement	(10.00)	-	-	-	-	-	(10.00)
Less: Bonus share issued during the year	-	-	-	-	(60.00)	-	(60.00)
Add: Premium on issue of equity shares on private placement basis	-	-	-	45.00	-	-	45.00
Add: Premium on issue of equity shares through initial public offering	-	-	-	975.00	-	-	975.00
Less: Utilization towards share issue expenses (Refer note 39)	-	-	-	(32.21)	-	-	(32.21)
Balance as at 31 March 2021	-	-	(12.96)	987.79	558.09	-	1,532.92

Significant accounting policies
Notes to the standalone financial statements 2 3-40

The accompanying notes form an integral part of the standalone financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

*For and on behalf of Board of Directors of
Nureca Limited*

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 16 June 2021

Rajinder Sharma
Director
DIN : 00317133
Place: Chandigarh
Date: 16 June 2021

Aryan Goyal
Chief Executive Officer
Place: U.S.A.
Date: 16 June 2021

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 16 June 2021

Gurvikram Singh
Company Secretary
Membership Number: 60255
Place: Chandigarh
Date: 16 June 2021

Place: Chandigarh
Date: 16 June 2021

Standalone Statement of Cash Flow for the year ended 31 March 2021*(Amount in INR million, unless otherwise stated)*

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A Cash flows from operating activities	624.93	86.23
Profit before tax for the year		
Adjustments for:		
Depreciation expense	4.09	3.74
Non-current investment written off	-	0.00
Expected credit loss on trade receivables	-	0.56
Income on unwinding of security deposits	(0.02)	(0.02)
Unrealized foreign exchange (gain)	(1.60)	(0.18)
Finance costs	15.97	7.70
Interest income	(17.55)	(0.18)
Operating cash flows before working capital changes	625.82	97.85
Working capital adjustments		
(Increase) in inventories	(203.50)	(28.77)
Decrease / (increase) in trade receivables	91.98	(40.95)
Increase / (decrease) in trade payables	30.70	(38.90)
(Increase) in Loans	(6.15)	(0.25)
(Increase) in other assets	(83.78)	(28.76)
(Decrease) in other financial liabilities	-	(46.47)
Increase in other current liabilities	42.35	7.08
Increase in provisions	4.25	0.70
Cash generated from / (used in) operating activities	501.67	(78.47)
Income tax paid (net)	(150.66)	(0.06)
Net cash generated from / (used in) operating activities (A)	351.01	(78.53)
B Cash flows from investing activities		
Purchase of property, plant and equipment	(0.95)	(4.11)
Purchase of Intangible Assets under development	(3.02)	-
Interest income received	1.37	0.18
Purchase of investment in subsidiaries	(7.70)	0.00
Fixed deposits (placed)	(1,094.50)	-
Net cash used in investing activities (B)	(1,104.80)	(3.93)
C Cash flows from financing activities		
Proceeds from issue of equity shares on private placement basis	50.00	-
Proceeds from issue of equity shares through initial public offer	1,000.00	-
IPO expenses	(32.21)	-
Payment of lease liabilities (including interest)	(4.65)	(3.36)
Interest paid	(8.26)	(5.37)
Repayment of borrowings	(128.85)	(7.50)
Proceeds from borrowings	47.36	98.24
Net cash generated from financing activities (C)	923.39	82.01
Net increase/(decrease) in cash and cash equivalents (A+B+C)	169.60	(0.45)
Cash and cash equivalents at the beginning of the year	0.39	0.84
Cash and cash equivalents at the end of the year	169.99	0.39
Notes:		
1. Components of cash and cash equivalents		
Cash on hand	-	0.00
Balances with banks:		
- In current accounts	3.99	0.39
- Fixed deposits with original maturity upto three months	166.00	
	169.99	0.39

Contd...

Standalone Statement of Cash Flow for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2.3.18.
3. Refer note 15(c) for reconciliation of movements of liabilities to cash flows arising from financing activities.
3. During the year, the Company paid in cash Rs. 0.76 (previous year: Rs. 0.52) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 28(b)).

Significant accounting policies	2
Notes to the standalone financial statements	3-40

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Gaurav Mahajan

Partner

Membership Number : 507857

Place: Chandigarh

Date: 16 June 2021

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal

Managing Director

DIN : 00136037

Place: Chandigarh

Date: 16 June 2021

Nishant Garg

Chief Financial Officer

Place: Chandigarh

Date: 16 June 2021

Rajinder Sharma

Director

DIN : 00317133

Place: Chandigarh

Date: 16 June 2021

Gurvikram Singh

Company Secretary

Membership Number: 60255

Place: Chandigarh

Date: 16 June 2021

Aryan Goyal

Chief Executive Officer

Place: U.S.A.

Date: 16 June 2021

Notes to the Standalone Financial Statements for the year ended 31 March 2021

Note 1. Corporate information

Nureca Limited ("the Company") is a public limited company which is domiciled and incorporated in Republic of India under the provisions of the Companies Act, 2013 (CIN U24304MH2016PLC320868) on 02 November 2016 and has been converted into a public company with effect from 08 July 2020 with registered office situated at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai - 400063. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India on 25 February 2021.

The Company is engaged in the business of home healthcare and wellness products.

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

These standalone Ind AS financial statements ("Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The Company's financial statements upto and for the year ended 31 March 2020 were prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP").

As these are Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First time adoption of Indian Accounting Standards has been applied. The transition was carried out from Indian GAAP. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 40). The standalone financial statements for the year ended 31 March 2021 were approved for issue by the Company's Board of Directors on 16 June 2021.

Functional and presentation currency

Items included in these Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone Ind AS financial statements are presented in Indian rupee (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 10,000 have been rounded and are presented as INR 0.00 million in these Ind AS financial statements.

Basis of measurement

The standalone financial statements has been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair value
Defined benefits obligation	Present value of defined benefits obligations

2.2 Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of Ind AS financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the Ind AS financial statements.

2.3.1 Current vs non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3.2 Business combinations

Ind AS 103, Business Combinations, prescribes significantly different accounting for business combinations which are not under common control and those under common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.
- The identity of the reserves has been preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

2.3.3 Property, plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- Purchase price, net of any trade discounts and rebates;
- Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 01 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

Particulars	Management estimated useful life	Useful life as per Schedule II
Computers	3 Years	3 Years
Office Equipment	5 Years	5 Years
Furniture and fixtures	10 Years	10 Years

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

2.3.4 Other Intangible assets

Acquired Intangible

Intangible assets that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

2.3.5 Impairment of non-financial assets

At each reporting date, the Company assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the Statement of Profit and Loss.

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 assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Statement of Profit and Loss.

2.3.6 Inventories

- a) Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.
- b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.3.7 Revenue recognition

The specific recognition criteria described below must also be met before revenue is recognized.

a) Sale of products

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

b) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

c) Right of return

Company provides a customer with a right to return in case of any defects or on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Company has adopted Ind AS 115 from 01 April 2019 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on 01 April 2019. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Company.

The Company has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

2.3.8 Recognition of interest income and expenses

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- a. the gross carrying amount of the financial asset; or
- b. the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.3.9 Taxes

Income tax comprises current and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income. Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Company has opted to recognize tax expense at the new income tax rate as applicable to the Company.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current tax is recognized in Statement of Profit and Loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax is recognized in Statement of Profit and Loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.3.10 Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise. These exchange differences are presented in the Statement of Profit and Loss on net basis.

2.3.11 Employee benefit

a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the Statement of Profit and Loss in the period in which the employee renders the related services.

b) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plan, the obligation for any benefits remains with the Company. The Company's liability towards gratuity is in the nature of defined benefit plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

The Company's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Statement of Profit and Loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

c) Other long-term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits, recognized as an expense in the Statement of profit and loss for the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Statement of Profit and Loss as employee benefit expenses.

Certain employees were transferred from Nectar Biopharma Private Limited pursuant to the scheme of arrangement, approved by NCLT on 29 April 2020 (also refer note 38). The process of completing the formalities pertaining to transfer of such employees has been fully completed on 01 September 2020.

2.3.12 Cash and cash equivalents

Cash and cash equivalent includes cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

2.3.13 Provisions, contingent assets and contingent liabilities

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

c) Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.3.14 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

a) Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

iv) Single discount rate

The Company has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

The Company has given adjustments for lease accounting in accordance with Ind AS 116 from 1 April 2019, and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the Statement of Balance Sheet.

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

- a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
- b. a right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Statement of Balance Sheet immediately before the date of initial application

2.3.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables 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 assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in Statement of Profit and Loss.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year the Company changes its business model for managing financial assets.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method ('EIR'). The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- (b) Financial assets that are measured as at FVTOCI
- (c) Lease receivables under Ind AS 116
- (d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Statement of Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its Statement of Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Company has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

c) Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Statement of Balance Sheet if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

2.3.16 Fair value measurement

The Company measures financial instruments at fair value at each reporting period.

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

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

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

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

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

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

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted (unadjusted) prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Standalone Financial Statements for the year ended 31 March 2021

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

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

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

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.3.17 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.3.18 Segment reporting

The business of the Company falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Company revolve around its main business. Hence no separate reportable primary segment.

2.3.19 Statement of cash flows

Statement of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

2.3.20 Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Company is charged to the Statement of the Profit and Loss.

2.3.21 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.3.22 Share issue expense

The share issue expenses incurred by the Company on account of new shares issued are netted off from securities premium account.

2.3.23 Significant accounting estimates and judgments

The estimates used in the preparation of the Standalone Financial Statements of each year presented are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Standalone Financial Statements in the period in which they become known.

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. Actual results could differ from these estimates.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

Significant judgements

- **Allowances for uncollected trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

- **Impairment of other financial assets**

The impairment provision for financial assets 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, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

- **Recoverability of deferred taxes**

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

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

- **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- **Defined benefit plans**

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

- **Useful lives of property, plant and equipment**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- **Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

- ***Determining the lease term of contracts with renewal and termination options –Company as lessee***

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- ***Fair value measurement of financial instruments***

When the fair values of financial assets and financial liabilities recorded in the Standalone Statement of Assets and Liabilities Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. 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 liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3.24 Recent Indian Accounting Standard (Ind AS)

On 24 March 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. The Company is evaluating these amendments on its financial statements and will give effect to the same as required by law.

Notes to the Standalone Financial Statements for the year ended 31 March 2021*(Amount in INR million, unless otherwise stated)***Notes 3a - Property, plant and equipment**

Particulars	Gross carrying amount			Accumulated depreciation			Net Block	
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	Charge for the year	As at 1 April 2020	As at 31 March 2021
Furniture and fixtures	2.09	0.18	-	2.27	0.11	0.20	1.98	1.96
Office equipment	1.50	0.70	-	2.20	0.22	0.36	1.28	1.62
Computers	1.73	0.07	-	1.80	0.44	0.56	1.29	0.80
Total	5.32	0.95	-	6.27	0.77	1.12	4.55	4.38

Particulars	Gross carrying amount			Accumulated depreciation			Net Block	
	As at 1 April 2019	Additions	Disposals	As at 31 March 2020	As at 1 April 2019	Charge for the year	As at 1 April 2019	As at 31 March 2020
Furniture and fixtures	-	2.09	-	2.09	-	0.11	-	1.98
Office equipment	0.49	1.01	-	1.50	-	0.22	0.49	1.28
Computers	0.72	1.01	-	1.73	-	0.44	0.72	1.29
Total	1.21	4.11	-	5.32	-	0.77	1.21	4.55

Notes 3b - Intangible asset under development

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Intangible asset under development	3.02	-	-
Total	3.02	-	-

Notes

- a. The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property Plant and Equipment at deemed cost as at the date of transition.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 4 - Right-of-use assets

The Company has entered into agreements for leasing warehouses on lease. The leases typically run for a period of 1-10 years with lock in term of 3 years after which the lease is subject to termination at the option of lessee or lessor.

a. Information about leases for which the Company is a lessee is presented below :

Right-of-use assets - Building	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance as at beginning of the year	6.09	4.30	-
Additions	29.22	2.12	4.68
Additions on account of arrangement #	-	2.64	-
Deletion	(3.06)	-	-
Depreciation for the year	(2.96)	(2.97)	(0.38)
Balance as at end of the year	29.29	6.09	4.30

Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 38).

- b. The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Statement of Profit and Loss.
- c. Set out below are the carrying amounts of lease liabilities and the movements during the year :

Lease liabilities included in the balance sheet	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current	3.30	3.59	1.70
Non-current	25.57	2.71	2.60
Total	28.87	6.30	4.30

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance as at beginning of the year	6.30	4.30	-
Additions	28.90	4.70	4.61
Deletions	(3.10)	-	-
Accreditation of interest	1.42	0.66	0.10
Payment of lease liabilities	(4.65)	(3.36)	(0.41)
Balance as at end of the year	28.87	6.30	4.30

- d. As at year end date, the Company is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.
- e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis- contractual undiscounted cash flows	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Less than one year	5.93	3.59	1.70
After one year but not longer than three years	10.02	3.27	3.18
More than three years	22.98	-	-
Total	38.93	6.86	4.88

- f. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- g. The Company has also taken certain office premises and office equipment on lease with contract terms within one year. These leases are short-term and/or leases of low-value items. The Company has elected not to recognize right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases and /or leases of low-value items for which the recognition exemption has been applied have been charged to the Statement of Profit and Loss on straight line basis.
- h. The table below provides details regarding amounts recognized in the Statement of Profit and Loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Expenses relating to short-term leases and/or leases of low-value items	0.85	0.27
Variable lease payments	1.31	2.12
Interest on lease liabilities	1.42	0.66
Depreciation expense	2.96	2.97
Total	6.54	6.02

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

i. The following are the amounts recognized in statement of cash flows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases including short term leases/leases of low-value item and variable lease payments	6.81	5.75

j. For the transitional impact of Ind AS 116 and accounting policy, refer accounting policy.

Note 5 - Investments

Non-current Investments

Unquoted investments (fully paid-up)

Subsidiary companies (at cost)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
- Nureca INC #	0.46	0.46	0.46
71,000 (31 March 2020: 71,000, 1 April 2019: 71,000) equity shares of USD 0.10/- each fully paid-up			
- Nureca Technologies Private Limited	7.60	-	-
760,000 (31 March 2020: Nil, 1 April 2019: Nil) equity shares of INR 10/- each fully paid-up			
- Nureca Healthcare Private Limited	0.10	-	-
10,000 (31 March 2020: Nil, 1 April 2019: Nil) equity shares of INR 10/- each fully paid-up			

In Other Companies (at fair value through OCI)

- Nureca Electronics Limited #	-	-	0.00 ^
Nil (31 March 2020: Nil, 1 April 2019: 200) equity shares of INR 10/- each fully paid up			

Total

Aggregate value of unquoted investments	8.16	0.46	0.46
Aggregate amount of impairment in value of investments *	-	0.00 ^	-

Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 38)

^ The total value of shares in absolute value was INR 2,000/- but for reporting purpose rounded upto INR 0.00 Million.

* The Company has identified impairment as at 31 March 2021: INR Nil (31 March 2020: INR 0.00, 1 April 2019: INR Nil). The impairment on financial assets is recognized within other comprehensive income and transferred to retained earnings on derecognition of equity instruments. Since amount is not material, it is not separately reflected in the Standalone Financial Statements. Nureca Electronics Limited ceased to exist on 03 December 2019.

Note 6 - Loans

Non-current

Security deposits	0.85	0.25	0.02
	0.85	0.25	0.02

Current

Security deposits	5.18	-	-
	5.18	-	-

Break-up for security details:

Loans receivables considered good - unsecured	6.03	0.25	0.02
	6.03	0.25	0.02
Less: expected credit loss allowance	-	-	-
	6.03	0.25	0.02

Note 7 - Inventories

(At lower of cost and net realizable value)

Stock-in-trade	367.76	164.26	135.49
	367.76	164.26	135.49

Notes:

Includes goods-in-transit	46.23	20.13	-
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Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 8 - Trade receivables

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
From related parties (refer note 33)	0.03	10.14	5.63
From others	37.51	119.39	82.96
Less: expected credit loss allowance	(0.56)	(0.56)	-
	36.98	128.97	88.59
Break-up for security details:			
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	36.98	128.97	88.59
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	0.56	0.56	-
	37.54	129.53	88.59
Less: expected credit loss allowance	(0.56)	(0.56)	-
	36.98	128.97	88.59

Movement in expected credit loss allowance of trade receivable

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the year	0.56	-	-
Additions during the year	-	0.56	-
Balance at the end of the year	0.56	0.56	-

Note 9 - Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balances with bank:			
- In current accounts	3.99	0.39	0.84
- Fixed deposits with original maturity upto three months	166.00	-	-
Cash on hand	-	0.00	0.00
	169.99	0.39	0.84

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank:			
- In current accounts	3.99	0.39	0.84
- Fixed deposits with original maturity upto three months	166.00	-	-
Cash on hand	-	0.00	0.00
	169.99	0.39	0.84

Note 10 - Other bank balances

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Bank deposits with original maturity of more than three months but less than twelve months*	1,094.50	-	-
	1,094.50	-	-

*Includes restricted deposits of Rs. 409.00 (31 March 2020:Rs. Nil, 1 April 2021: Rs. Nil) pledged as security for letter of credit and bank guarantee

Note 11 - Other financial assets

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Recoverable on account of arrangement (also refer note 38)	-	19.88	-
Interest accrued not due on fixed deposits	16.18	-	-
	16.18	19.88	-

Note 12 - Other current assets

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balances with government authorities	96.54	3.13	1.29
Prepaid expenses	13.08	-	0.06
Advances to employees	0.02	0.10	-
Advances to suppliers	5.51	10.02	3.12
Expenses recoverable from related parties	-	0.04	-
Right to recover returned goods	1.85	0.05	-
	117.00	13.34	4.47

Note 13 - Equity share capital

Authorized

11,000,000 (31 March 2020: 10,000, 01 April 2019: 10,000) equity shares of INR 10 each #	110.00	0.10	0.10
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Issued, subscribed and paid-up

10,000,175 (31 March 2020: 10,000, 01 April 2019: 10,000) equity shares of INR 10 each fully paid up #	100.00	0.10	0.10
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Also, refer note 38

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

a) Rights, preferences and restrictions attached to equity shares

As per the memorandum of association, the Company's authorized share capital consist of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting year:

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	10,000	0.10	10,000	0.10	10,000	0.10
Add: shares issued during the year (Refer note 38)	1,000,000	10.00	-	-	-	-
Less: shares cancelled during the year (Refer note 38)	(10,000)	(0.10)	-	-	-	-
Add: bonus shares issued during the year (refer note d)	6,000,000	60.00	-	-	-	-
Add: shares issued on private placement basis (refer note e)	500,000	5.00	-	-	-	-
Add: fresh issue through initial public offering (refer note f)	2,500,175	25.00	-	-	-	-
Balance at the end of the year	10,000,175	100.00	10,000	0.10	10,000	0.10

c) Details of shareholders holding more than 5 percent equity shares in the Company:

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Nectar Biopharma Private Limited*	21	0.00	10,000	100.00	10,000	100.00
Payal Goyal	3,499,979	35.00	-	-	-	-
Saurabh Goyal	3,499,979	35.00	-	-	-	-
	6,999,979	70.00	10,000	100.00	10,000	100.00

* Including Nil (31 March 2020: 1, 1 April 2019: 1) equity share held in the name of Mr. Saurabh Goyal as a nominee shareholder as per proviso to section 187 (1) of the Companies Act, 2013.

d) Aggregate number of shares allotted or fully paid up from the date of incorporation i.e. 2 November 2016 till the balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

Particulars	31 March 2021	31 March 2020	31 March 2019	31 March 2018	01 April 2017
	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares
Shares allotted as per approved scheme of arrangement	1,000,000	-	-	-	-
Bonus shares issued	6,000,000	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Amount in INR million, unless otherwise stated)

Note: As per approval of Honorable National Company Law Tribunal ('NCLT') for the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, with effect from appointed date of 1 April 2019, the Company cancelled 10,000 shares and issued 1,000,000 shares for consideration other than cash on 10 June 2020.

e) Private Placement

During the year ended 31 March 2021 the Company had made allotment of 500,000 equity shares of Rs. 50 million on 21 October 2020 on private placement basis at an issue price of Rs. 100 per equity share (including premium of Rs. 90 per equity share).

f) Initial public offer

During the year the Company has made Initial Public Offering of 2,500,175 equity shares of face value of Rs. 10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of Rs. 400 per equity share (including a share premium of Rs. 390 per equity share) and 3,500 equity shares to the employees at a price of Rs. 380 per equity share (including a share premium of Rs. 370 per equity shares) aggregating to Rs. 1000,00 million. These equity shares were allotted on 23 February 2021 and the equity share of the Company got listed on the National stock exchange (NSE) and BSE Limited (BSE) on 25 February 2021.

Note 14 - Other equity

a) Equity share capital pending allotment pursuant to arrangement (refer note 38)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the year	10.00	10.00	10.00
Movement during the year	(10.00)	-	-
Balance at the end of the year	-	10.00	10.00

b) Equity share capital pending cancellation pursuant to arrangement (refer note 38)

Balance at the beginning of the year	(0.10)	(0.10)	(0.10)
Movement during the year	0.10	-	-
Balance at the end of the year	-	(0.10)	(0.10)

c) Capital reserve

Balance at the beginning of the year	(12.96)	(12.96)	(12.96)
Movement during the year	-	-	-
Balance at the end of the year	(12.96)	(12.96)	(12.96)

d) Security premium

Balance at the beginning of the year	-	-	-
Add: Premium on issue of equity shares on private placement basis	45.00	-	-
Add: Premium on issue of equity shares through initial public offering	975.00	-	-
Less: Utilization towards share issue expenses (Refer note 39)	(32.21)	-	-
Balance at the end of the year	987.79	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
e Retained earnings			
Balance at the beginning of the year	152.66	88.61	26.28
Add: Profit for the year	465.34	64.10	62.33
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)	0.09	(0.05)	(0.00)
Less: equity instruments derecognized during the year (refer note f below)	-	(0.00)	-
Less: Bonus Shares issued during the year	(60.00)	-	-
Balance at the end of the year	558.09	152.66	88.61
f Net change in fair value of equity instruments through other comprehensive income			
Balance at the beginning of the year	-	-	-
Less: Movement during the year	-	(0.00)	-
Add: Transferred to retained earnings	-	0.00	-
Balance at the end of the year	-	-	-
Total	1,532.93	149.60	85.55

Nature of reserves

a. Equity share capital pending allotment pursuant to arrangement

Equity share capital pending allotment pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been allotted on 10 June 2020. Also, refer note 38.

b. Equity share capital pending cancellation pursuant to arrangement

Equity share capital pending cancellation pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been cancelled on 10 June 2020. Also, refer note 38.

c. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

d. Security premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

e. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

f. Equity instruments through other comprehensive income

The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

Note 15 - Borrowings

A. Non-current borrowings

	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
<i>Unsecured</i>				
Deposits from directors, KMPs & their relatives (refer note 33)	(a)	7.79	90.74	-
Lease liability (refer note 4)		28.87	6.30	4.30
Total non-current borrowings (including current maturities)		36.66	97.04	4.30
Less: current maturities of lease liabilities (refer note 4 and 18)	(b)	(3.30)	(3.59)	(1.70)
		33.36	93.45	2.60

Notes:

- (a) Deposits from directors & their relatives carry interest rate of 8% (31 March 2020: 8%, 1 April 2019: Nil) per annum and are repayable by 31 March 2023.
- (b) Current and non-current classification is based on contractual maturities.

B. Current borrowings

	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
<i>Unsecured</i>				
Inter corporate deposits - from related party (refer note 33)	(c)	1.46	-	-
		1.46	-	-

Notes:

- (c) Inter corporate deposits from related parties include deposit of INR 1.46 (31 March 2020: Nil, 01 April 2019: Nil) from Trumom Private Limited carrying interest rate of 6% (31 March 2020: Nil, 01 April 2019: Nil) per annum.

C. Reconciliation of movements of liabilities to cash flows arising from financing activities

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Borrowings at the beginning of the year (current and non-current borrowings)	97.04	4.30	-
Proceeds from non-current borrowings	47.36	98.24	-
Repayments of non-current borrowings	(128.85)	(7.50)	-
Interest on lease liabilities	1.42	0.66	0.10
Additions to lease liabilities	28.90	4.70	4.61
Deletion to lease liabilities	(3.10)	-	-
Payment of lease liabilities (including interest)	(4.65)	(3.36)	(0.41)
Borrowings at the end of the year (current and non-current borrowings)	38.12	97.04	4.30

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 16 - Provisions

A. Non-current

Provision for employee benefits:

Provision for compensated absences
Provision for gratuity (refer note 32)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	1.20	0.31	0.16
	3.31	0.70	0.13
	4.51	1.01	0.29

B. Current

Provision for employee benefits:

Provision for compensated absences
Provision for gratuity (refer note 32)

	0.68	0.08	0.03
	0.02	0.00	0.00
	0.70	0.08	0.03
	5.21	1.09	0.32

Note 17 - Trade payables

Total outstanding dues of micro and small enterprises

Total outstanding dues of creditors other than micro and small enterprises #

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	5.09	-	-
	82.53	58.51	97.60
	87.62	58.51	97.60

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. Refer note 34 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the financial statements based on information available with the Company.

Refer note 33

Note 18 - Other financial liabilities

Current maturities of lease liability (refer note 4 and 15)
Interest accrued but not due on borrowings (refer note 33)
Payable on account of arrangement (Refer note 38)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	3.30	3.59	1.70
	0.08	0.54	-
	-	-	46.49
	3.38	4.13	48.19

Note 19 - Other current liabilities

Contract liability
Statutory liabilities #
Refund liability
Payable to employees
Others

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	4.40	3.76	0.09
	19.91	2.09	0.04
	18.58	0.09	-
	7.58	2.07	0.84
	-	0.11	0.06
	50.47	8.12	1.03

Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicable of the judgement and period from which the same applies. The Company has estimated the impact of the same from post 28 February 2019 and recognized in the financial statement. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognized any provision for the period prior to date of judgement. Further management also believes that the impact of the same on the Company will not be material.

Note 20 - Current tax liabilities (net)

Current tax liabilities (net of advance tax of INR 150.79
(31 March 2020: INR 0.13, 01 April 2019: INR 0.06)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	44.39	23.61	0.06
	44.39	23.61	0.06

Notes to the Standalone Financial Statements for the year ended 31 March 2021**(Amount in INR million, unless otherwise stated)****Note 21 - Revenue from operations**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products	2,133.31	994.26
	2,133.31	994.26

Notes:**a. Reconciliation of revenue recognized with the contract price is as follows:**

Contract price	2,266.85	1,034.13
Adjustments for:		
- Discounts and rebates	114.96	39.78
- Refund liability	18.58	0.09
Revenue recognized	2,133.31	994.26

b. Contract Balances

Receivables, which are included in 'trade receivables'	36.98	128.97
Contract liability, which are included in 'other current liabilities'	(4.40)	(3.76)
Refund liability, which are included in 'other current liabilities'	(18.58)	(0.09)
	14.00	125.12

Note: Considering the nature of business of the Company, the above contract liability are generally materialized as revenue within the same operating cycle.

c. Revenue from sale of products disaggregated by primary geographical market

India	2,133.31	994.26
Outside India	-	-
Total revenue from contracts with customers	2,133.31	994.26

Note 22 - Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income		
- on bank deposits	17.55	-
- on financial assets measured at amortized cost at EIR	-	0.18
Exchange gain on foreign exchange fluctuation (net)	9.62	0.41
Income on unwinding of security deposit	0.02	0.02
Rental Income	0.16	-
Miscellaneous income	0.82	-
	28.17	0.61

Note 23 - Purchase of stock-in-trade

	For the year ended 31 March 2021	For the year ended 31 March 2020
Purchase of stock-in-trade	1,199.00	674.85
	1,199.00	674.85

Note 24 - Changes in inventories of stock in trade

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance		
- Stock-in-trade	164.26	135.49
- Right to recover returned goods	0.05	-
Closing balance		
- Stock-in-trade	(367.76)	(164.26)
- Right to recover returned goods	(1.85)	(0.05)
	(205.30)	(28.82)

Note 25 - Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages	44.11	30.72
Contribution to provident and other funds (refer note 32)	0.98	0.72
Staff welfare expenses	0.74	0.13
	45.83	31.57

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 26 - Finance costs

Interest expense on financial liabilities measured at amortised cost :

	For the year ended 31 March 2021	For the year ended 31 March 2020
- on borrowings	6.55	3.54
- on lease liabilities	1.42	0.66
Interest expense on income tax	6.75	-
Other borrowing cost	1.25	3.50
	15.97	7.70

Note 27 - Depreciation expense

Depreciation on property, plant and equipment
Depreciation on right-of-use assets

	For the year ended 31 March 2021	For the year ended 31 March 2020
	1.13	0.77
	2.96	2.97
	4.09	3.74

Note 28 - Other expenses

Advertisement
Insurance
Communication expenses
Legal and professional fee (refer note (a) below)
Rent
Travel and conveyance
Shifting and handling expenses
Security services
Expected credit loss on trade receivables
Commission and incentive
Packing expenses
Repairs and maintenance
Rates and taxes
Power and fuel
Freight charges
CSR expenditure (refer note (b) below)
Business support service (refer note 33G)
Loss on derecognition of financial assets
Miscellaneous expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
	95.84	31.31
	0.72	0.38
	0.38	0.46
	6.89	8.22
	2.16	2.39
	0.76	2.97
	16.42	9.37
	1.15	0.44
	-	0.56
	119.88	87.80
	14.18	15.06
	1.65	1.78
	2.04	1.99
	0.05	0.38
	61.36	50.92
	0.76	0.52
	139.61	-
	10.93	-
	2.18	5.05
	476.96	219.60

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

(a) Payment to auditors (excluding goods and services tax)	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
- Statutory audit	1.10	0.31
- Tax audit	-	-
- Reimbursement of expenses	0.07	-
Amount debited to Standalone Statement of Profit and Loss	1.17	0.31
- Others services in connection with initial public offering (refer note 39)	5.26	-
Total	6.43	0.31

(b) Details of CSR expenditure:	For the year ended 31 March 2021	For the year ended 31 March 2020
Amount required to be spent by the Company during the year	0.58	-
Actual spent during the year:	0.76	-
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than above - in cash	0.76	0.52

Note 29 - Tax expense	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Amount recognized in Consolidated Statement of Profit and Loss:		
Current tax:		
- Current year	164.69	22.47
Deferred tax:		
- Attributable to origination and reversal of temporary differences	(5.10)	(0.34)
Total tax expense recognized	159.59	22.13
b. Reconciliation of effective tax rate		
Profit before tax	624.93	86.23
Tax at India's statutory tax rate of 25.17%	157.30	21.71
Tax effect of non-deductible expenses	2.29	0.42
Income tax expense recognized in the statement of profit and loss	159.59	22.13
c. Income tax expense recognized in other comprehensive income		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(0.03)	0.01
Net change in fair value of equity instruments through other comprehensive income	-	-
Total income tax recognized in other comprehensive income	(0.03)	0.01
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(0.03)	0.01
	(0.03)	0.01

d. Deferred tax balances reflected in the Balance Sheet:	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Deferred tax asset	5.66	0.49	0.10
Deferred tax liability	(0.14)	(0.07)	(0.03)
Deferred tax asset (net)	5.52	0.42	0.07

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

e. Movement in deferred tax balances	As at 01 April 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2021
Deferred tax asset				
Provision for employee benefits	0.28	1.03	(0.03)	1.31
Expected credit loss allowance on trade receivables	0.14	(0.00)	-	0.14
Refund liability	0.01	4.20	-	4.21
Lease liabilities	0.06	(0.06)	-	-
Others	0.00	-	-	0.00
Deferred tax asset (A)	0.49	5.17	-	5.66
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.07)	0.04	-	(0.03)
Lease liabilities	-	(0.11)	-	(0.11)
Discounting of security deposit	0.00	-	-	0.00
Deferred tax liability (B)	(0.07)	(0.07)	-	(0.14)
Deferred tax asset (net) (A+B)	0.42	5.10	(0.03)	5.52

	As at 01 April 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2020
Deferred tax asset				
Provision for employee benefits	0.09	0.18	0.01	0.28
Expected credit loss allowance on trade receivables	-	0.14	-	0.14
Refund liability	-	0.01	-	0.01
Lease liabilities	0.00	0.06	-	0.06
Others	0.01	(0.01)	-	0.00
Deferred tax asset (A)	0.10	0.38	0.01	0.49
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.03)	(0.04)	-	(0.07)
Discounting of security deposit	-	0.00	-	0.00
Deferred tax liability (B)	(0.03)	(0.04)	-	(0.07)
Deferred tax asset (net) (A+B)	0.07	0.34	0.01	0.42

Note 30 - Earnings per share

	For the year ended 31 March 2021	For the year ended 31 March 2020
i. Profit for basic/diluted earning per share of face value of INR 10 each		
Profit for the year	465.34	64.10
ii. Calculation of Weighted average number of equity shares for (basic and diluted)		
(a) Number of shares at the beginning of the year *	7,000,000	7,000,000
(b) Add: effect of issue of equity share on private placement basis	221,918	-
(c) Add: effect of issue of equity share in initial public offering	253,442	-
Weighted average number of equity shares outstanding during the year	7,475,360	7,000,000
Basic and diluted earnings per share (face value of INR 10 each)	62.25	9.16

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

* The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares during the year in accordance with Ind AS 33 - Earnings per Share. The bonus issue resulted in allotment of 6,000,000 new equity shares. Total number of equity shares after bonus allotment is 7,000,000 equity shares.

Note 31 - Segment information

The Board of directors of Nureca Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

The Company is engaged in trading of home healthcare and wellness products in the domestic market only which is considered to be a single business segment / geographical segment.

The Company is in the business of trading of home healthcare and wellness in the domestic market only through online portal. Considering the nature of Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating Segments' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

a. Information about products and services

	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from branded healthcare products	2,133.31	994.26
Total	2,133.31	994.26

b. Information about geographical areas

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

	For the year ended 31 March 2021	For the year ended 31 March 2020
i. Revenue from customers		
India	2,133.31	994.26
Outside India	-	-
	2,133.31	994.26
	As at 31 March 2021	As at 31 March 2020
ii. Trade receivables		As at 01 April 2019
India	36.98	128.97
Outside India	-	-
	36.98	128.97
		88.59

iii) Non-current assets

The Company has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

c. Information about major customers (from external customers)

For year ended 31 March 2021, 2 customer of the Company constituted more than 10% of the total revenue of Company amounting to INR 1,214.62, 31 March 2020: 1 customer of the Company constituted more than 10% of the total revenue of Company amounting to INR 352.71.

Note 32 - Employee benefits

a. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Contribution to provident and other funds (refer note 25)	0.98	0.72

b. Defined benefit plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
i. Reconciliation of present value of defined benefit obligation			
Balance at the beginning of the year	0.70	0.13	0.03
Interest cost	0.21	0.04	0.01
Current service cost	1.34	0.47	0.09
Past service cost	1.27	-	-
Benefits paid	(0.07)	-	-
Actuarial loss recognized in other comprehensive income			
- from changes in financial assumptions	-	0.06	0.00
- from changes in demographic assumptions	-	0.00	-
- from experience adjustments	(0.12)	0.00	(0.00)
Balance at the end of the year	3.33	0.70	0.13
	For the year ended 31 March 2021	For the year ended 31 March 2020	
ii. Amount recognized in statement of profit and loss			
Interest cost	0.21	0.04	
Current service cost	1.34	0.47	
Past service cost	1.27	-	
	2.82	0.51	
iii. Remeasurements recognized in other comprehensive income			
Actuarial loss for the year on defined benefit obligation	(0.12)	0.06	
	(0.12)	0.06	

Notes to the Standalone Financial Statements for the year ended 31 March 2021**(Amount in INR million, unless otherwise stated)****iv. Actuarial assumptions***(i) Economic assumptions*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Discount rate (per annum)	7.0%	6.6%	7.4%
Future salary growth rate (per annum)	15%	10%	10%
Expected average remaining working lives (years)	28.46	28.94	29.75

(ii) Demographic assumptions

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Retirement age (years)	58	58	58
Mortality rate	100% of IALM 2012- 14	100% of IALM 2012- 14	100% of IALM 2006- 08
Attrition rate (per annum)	10%	15%	15%

v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Increase		
Discount rate (1% movement)	(0.38)	(0.06)
Future salary growth rate (1% movement)	0.32	0.07
Decrease		
Discount rate (1% movement)	0.46	0.07
Future salary growth rate (1% movement)	(0.29)	(0.07)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi. Expected maturity analysis of the defined benefit plan in future years

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Within 1 year (next annual reporting period)	0.01	0.00	-
Between 1 to 5 years	0.61	0.17	0.03
Between 5 to 10 years	1.53	0.46	0.09
Beyond 10 years	7.49	0.83	0.00
Total expected payments	9.64	1.46	0.12

vii. Weighted average duration of the defined benefit plan:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Weighted average duration of the defined benefit plan (in years)	16.03	11.97	10.70

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 33 - Related parties

A. List of related parties and nature of related party relationship, where control exists:

Description of Relationship	Name of the Party
Subsidiaries	Nureca INC Nureca Healthcare Private Limited Nureca Technologies Private Limited

B. List of related parties and nature of relationship with whom transactions have taken place during the current/previous year

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Saurabh Goyal - Managing Director Mr. Aryan Goyal - Chief Executive Officer Ms. Sakshi Mittal - Chief Financial Officer (w.e.f. 21 October 2020 till 15 June 2021)* Mr. Gurvikram Singh - Company Secretary *Mr. Nishant Garg has been appointed as a Chief Financial Officer w.e.f. 16 June 2021 pursuant to the approval of Board of Directors and Audit Committee
Relatives of KMPs	Mrs. Payal Goyal Mrs. Raman Goyal (refer note 33F) Mrs. Smita Goyal
Entities in which KMP and/or their relatives have significant influence	Trumom Private Limited Mirasan Private Limited Nectar Life Sciences Limited (refer note 33F) Nectar Biopharma Private Limited (refer note 33G)
Non Executive Directors	Mr. Vijay Kumar Sharma (w.e.f. 21 October 2020) Mrs. Smita Goyal (upto 26 March 2021) Ms. Ruchita Agarwal (w.e.f. 29 October 2020) Ms. Charu Singh (w.e.f. 21 October 2020) Mr. Rajinder Sharma Mr. Nitin Ravindra (w.e.f. 29 March 2021) Mr. Vikram Chaudhary (w.e.f. 29 March 2021)

C. The following table provides the total amount of transactions that have been entered into with related parties for the relevant years

Nature of Transaction	Name of the related Party	For the year ended 31 March 2021	For the year ended 31 March 2020
1. Revenue from operations (net of returns)	Nectar Life Sciences Limited Nureca Technology Private Limited	(5.67) ** 1.13	9.51 -
2. Purchase of stock-in-trade	Nectar Life Sciences Limited Nureca Technologies Private Limited Nureca INC	237.71 ** 1.18 -	189.55 - 2.00
3. Reimbursement of expense paid by the Company	Trumom Private Limited Mirasan Private Limited Nureca Healthcare Private Limited Nureca Technologies Private Limited	- 0.02 0.02 5.57	0.04 - - -

Notes to the Standalone Financial Statements for the year ended 31 March 2021**(Amount in INR million, unless otherwise stated)**

Nature of Transaction	Name of the related Party	For the year ended 31 March 2021	For the year ended 31 March 2020
4. Borrowings taken	Mrs. Payal Goyal	-	30.18
	Mr. Saurabh Goyal	3.90	22.21
	Mrs. Raman Goyal	-	43.18
	Mrs. Smita Goyal	-	2.68
	Trumom Private Limited	1.46	-
	Nectar Biopharma Private Limited	-	0.75
5. Borrowings repaid	Mrs. Payal Goyal	23.78	2.50
	Mr. Saurabh Goyal	17.21	5.00
	Mrs. Raman Goyal	43.18	-
	Mrs. Smita Goyal	2.68	-
6. Advance received against supply of goods	Trumom Private Limited	-	1.90
7. Interest accrued during the year	Mrs. Payal Goyal	0.63	0.17
	Mr. Saurabh Goyal	0.18	0.14
	Mrs. Raman Goyal	1.83	0.27
	Mrs. Smita Goyal	0.03	0.01
	Trumom Private Limited	0.08	-
8. Managerial remuneration *	Mr. Saurabh Goyal	8.22	6.90
9. Salary to KMPs and their relatives *	Mrs. Payal Goyal	5.92	3.00
	Ms. Smita Goyal	0.44	3.00
	Mr. Aryan Goyal	10.23	6.90
	Mr. Gurvikram Singh	0.19	-
	Ms. Sakshi Mittal	0.43	-
10. Sitting Fee	Mr. Vijay Kumar Sharma	0.30	-
	Mrs. Smita Goyal	0.02	-
	Ms. Ruchita Agarwal	0.03	-
	Ms. Charu Singh	0.03	-
	Mr. Rajinder Sharma	0.02	-
11. Commission and incentive	Nectar Biopharma Private Limited	29.53	-
12. Business support services	Nectar Biopharma Private Limited	139.61	-
13. Shares cancelled during the year	Nectar Biopharma Private Limited	(0.10)	-
14. Shares allotted during the year	Mr. Saurabh Goyal	35.00	-
	Mrs. Payal Goyal	35.00	-
15. Investments (in equity share @ 10/- per share)	Nureca Healthcare Private Limited	0.10	-
	Nureca Technologies Private Limited	7.60	-
* Break-up of compensation of key managerial personnel of the Company			
	Short-term employee benefits	25.43	6.90
	Post-employment benefits	1.49	0.11
	Total compensation paid to key management personnel	26.92	7.01

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

Notes to the Standalone Financial Statements for the year ended 31 March 2021**(Amount in INR million, unless otherwise stated)****D. Balances outstanding at year end**

Nature of Transaction	Name of the related Party	As at 31 March 2021	As a 31 March 2020	As at 01 April 2019
1. Expenses recoverable	Trumom Private Limited	-	0.04	-
2. Payable to employees	Mr. Saurabh Goyal	0.42	0.25	-
	Mr. Aryan Goyal	4.83	0.45	-
	Ms. Payal Goyal	-	0.13	-
	Mrs. Smita Goyal	-	0.23	-
	Mr. Gurvikram Singh	0.03	-	-
	Ms. Sakshi Mittal	0.05	-	-
3. Borrowings	Ms. Payal Goyal	3.90	27.68	-
	Mr. Saurabh Goyal	3.90	17.21	-
	Mrs. Raman Goyal	-	43.18	-
	Mrs. Smita Goyal	-	2.68	-
	Trumom Private Limited	1.46	-	-
4. Interest accrued but not due	Ms. Payal Goyal	-	0.16	-
	Mr. Saurabh Goyal	-	0.12	-
	Mrs. Raman Goyal	-	0.25	-
	Mrs. Smita Goyal	-	0.01	-
	Trumom Private Limited	0.08	-	-
5. Trade payables	Nectar Life Sciences Limited	-	6.48	87.24
	Nectar Biopharma Private Limited	13.16**	-	-
	Nureca Technologies Private Limited	0.08	-	-
6. Trade receivables	Nectar Life Sciences Limited	-	10.12	5.16
	Nectar Biopharma Private Limited	-	-	-
	Trumom Private Limited	-	-	0.44
	Nureca INC	0.03	-	-
7. Recoverable on account of arrangement	Nectar Biopharma Private Limited	-	19.88	-
8. Payable on account of arrangement	Nectar Biopharma Private Limited	-	-	52.42
9. Contract liability	Trumom Private Limited	-	1.46	-
10. Investments	Nureca INC	0.46	0.46	0.46
	Nureca Healthcare Private Limited	0.10	-	-
	Nureca Technologies Private Limited	7.60	-	-

** During the year ended 31 March 2021, purchase of stock-in-trade from Nectar Life Sciences Limited of INR 234.77 million (31 March 2020: INR Nil and 1 April 2019: INR Nil) were made through the Company's agent Nectar Biopharma Private Limited and revenue from operation (net of return) from Nectar Life Sciences Limited of INR (5.67) (31 March 2020: INR Nil and 01 April 2019: INR Nil) were made through the Company's Agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 31 March 2021 includes INR Nil (31 March 2020: INR Nil and 1 April 2019: INR Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

E. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business.

Outstanding balances at the year-end are unsecured and interest free except borrowings and settlement occurs in cash.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

F. Dissociation with Mr. Sanjiv Goyal, Mrs. Raman Goyal and Nectar Life Sciences Limited

Pursuant to a family settlement, Mr. Saurabh Goyal (Promoter and Managing Director), Mr. Aryan Goyal (Chief Executive Officer) and their families disassociated from their parents Mr. Sanjiv Goyal and Mrs. Raman Goyal. The family settlement was effected by way of family partition deed dated 10 September 2020 entered into Mr. Saurabh Goyal, Aryan Goyal from their parents Sanjiv Goyal and Mrs. Raman Goyal in relation to the separation of assets and businesses. Sanjiv Goyal is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited.

Pursuant to the family settlement, Mr. Saurabh Goyal and Mr. Aryan Goyal, by way of their letters dated 1 October 2020 and 30 September 2020 respectively addressed to the Board of Directors of Nectar Lifesciences Limited, SEBI, BSE and National Stock Exchange, have intimated that their shareholdings in Nectar Lifesciences Limited have been transferred to Mr. Sanjiv Goyal and his HUF by way of gift and expressed that they intended to be ceased from being classified as members of the promoter group of Nectar Lifesciences Limited. The Company has been legally advised that transactions of the Company with Mr. Sanjiv Goyal or Mrs. Raman Goyal or entities controlled by them are required to be considered for the purposes of disclosures under Ind AS 24 and also under provision of the Companies Act, 2013 and SEBI LODR, as applicable.

G. Appointment of Nectar Biopharma Private Limited as an agent

On 9 May 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from 23 May 2020 (i.e. the effective date of the scheme of arrangement) until such time that the Company is able to fulfill all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be at arms length.

Accordingly, the Company has recognized revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

H. Search and Seizure

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from 13 December 2020 to 15 December 2020 at residences of the Company's Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal in the case of "Nectar Life Sciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal". During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. Also refer to note 33F above which explain in detail the dissociation arrangement entered between with Sanjiv Goyal, Raman Goyal and Nectar Life Sciences Limited.

Further, Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on 13 December 2020 at the residence of one of the Company's Director Rajinder Sharma in the case of Nectar Life Sciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set.

As on the date of approval of these financial statements, none of the Company's promoters, members of promoter group or directors have received further communication and / or notice from the income tax authorities in relation to the abovementioned search and seizure proceedings. The management believes that the transactions of the Company are fully compliant with the relevant provisions of the Income Tax Act, 1961 and hence, no provision is required for any tax liability.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 34 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the Standalone Financial Statements based on information available with the Company as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year			
- Principal	5.06	-	-
- Interest	0.03	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during the each year.	-		
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the each year) but without adding the interest specified under the MSMED act 2006.	0.06	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each year.	0.03	-	-
(v) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note 35 - Financial instrument : fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximations of fair values:

	Notes	Level of hierarchy	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
			Amortised Cost	Fair value through OCI	Amortised Cost	Fair value through OCI	Amortised Cost	Fair value through OCI
Financial assets								
Investments	a	3	8.16	-	0.46	-	0.46	0.00
Loans	b		6.03	-	0.25	-	0.02	-
Trade receivables	c		36.98	-	128.97	-	88.56	-
Cash and cash equivalents	c		169.99	-	0.39	-	0.84	-
Other bank balances	c		1,094.50	-	-	-	-	-
Other financial assets	c		16.18	-	19.88	-	-	-
			1,331.84	-	149.95	-	89.88	0.00
Financial liabilities								
Borrowings	b		34.82	-	93.45	-	2.60	-
Trade payables	c		87.62	-	58.51	-	97.60	-
Other financial liabilities	c		3.38	-	4.13	-	48.19	-
			125.82	-	156.09	-	148.39	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Notes:

- The carrying value of investment in Nureca Electronics Private Limited was INR 2,000/-. Fair value of this investment is not considered to be material and Nureca Electronics Limited ceased to exist on 03 December 2019.
- Fair valuation of the loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate (EIR) method. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the years presented.

Note 36 - Financial risk management

Risk management framework

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, borrowings and investments measured at fair value through profit and loss account. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Company does not expose to the risk of changes in market interest rates as Company's long and short term debt obligations are of fixed interest rate.

(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency).

The Company undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

Exposure to currency risk :

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

Currency	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Payables	USD	0.35	25.50	0.22	16.42	-

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or Loss		Equity, Net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2021				
USD 5% movement	1.28	(1.28)	0.95	(0.95)
As at 31 March 2020				
USD 5% movement	0.82	(0.82)	0.61	(0.61)
As at 1 April 2019				
USD 5% movement	-	-	-	-

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The ageing of trade receivables at the reporting date was:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Not due	36.75	77.57	81.06
Less than 90 days	-	40.68	6.91
90-180 days	-	8.85	0.21
More than 180 days	0.23	1.87	0.41
Total	36.98	128.97	88.59

(b) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(c) Security deposits

The Company furnished security deposits to its lessor for obtaining the premises on lease and margin money deposits to banks. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2021	Carrying Amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	9.25	-	-	10.92	-	10.92
Other financial liabilities (excluding lease liabilities)	0.08	-	0.08	-	-	0.08
Trade payables	87.62	-	87.62	-	-	87.62
Lease liabilities	28.87	-	5.93	10.02	22.98	38.93
Total	125.82	-	93.63	20.94	22.98	137.54
As at 31 March 2020	Carrying Amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	90.74	-	-	96.81	-	96.81
Other financial liabilities (excluding lease liabilities)	0.54	-	0.54	-	-	0.54
Trade payables	58.51	-	58.51	-	-	58.51
Lease liabilities	6.30	-	3.59	3.27	-	6.86
Total	156.09	-	62.64	100.07	-	162.71
As at 01 April 2019	Carrying Amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	-	-	-	-	-	-
Other financial liabilities (excluding lease liabilities)	46.49	-	46.49	-	-	46.49
Trade payables	97.60	-	97.60	-	-	97.60
Lease liabilities	4.30	-	1.70	3.18	-	4.88
Total	148.39	-	145.79	3.18	-	148.97

(iv) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

(v) Risk related to COVID-19

The Company has considered possible effect that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, inventories, receivables, other current assets and on its assessment relating to going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the Company, including the Company's performance from July 2020 onwards which has been better than expectations considering the increase in demand in the home healthcare and wellness products. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered with no consequential impacts on its assessment related to going concern. The impact of Covid - 19 on the Company's financial statement may differ from that estimated as at the date of approval of these financial statements.

Note 37 Capital risk management

(i) Risk Management

'For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade payables and borrowings, less cash and cash equivalents.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Trade payables (Refer note 17)	87.62	58.51	97.60
Borrowings (Refer note 15)	38.12	97.04	4.30
Less: cash and cash equivalents (Refer note 9)	169.99	0.39	0.84
Net debt	(44.25)	155.16	101.06
Equity share capital (Refer note 13)	100.00	0.10	0.10
Other equity (Refer note 14)	1,532.92	149.60	85.55
Total capital	1,632.92	149.70	85.65
Capital and net debt	1,588.66	304.86	186.71
Gearing ratio	-2.79%	50.90%	54.13%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

(b) Dividend not recognised at the end of the year

Subsequent to the year end, the Board of Directors have recommended payment of final dividend of INR 2 per share (20 percent of the face value of the equity share of Rs. 10 each) for the financial year ended 31 March 2021. The proposed dividend is subject to the approval of shareholders in the ensuing general meeting.

Note 38 - Business combination

The Company had taken the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honorable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020.

The Scheme had become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the Scheme was operative was 1 April 2019 (the "appointed date") and the effect of the same had been considered in the IGAAP financial statements for the year ended 31 March 2020.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Pursuant to the scheme of demerger, certain portion of business activities of the demerged company as defined in Scheme along with all related assets, liabilities, employees, rights, powers, etc. including its investment in the subsidiary Nureca Inc ('Specified Undertaking') was transferred by Nectar Biopharma Private Limited from the appointed date of 1 April 2019. The said demerger has been accounted as a common control business combination in line with the principles prescribed under Ind AS 103 "Business Combinations". Accordingly, the Scheme has been given effect by combining all assets and liabilities of the specified undertaking of the demerged company with the assets and liabilities of the resulting company at their carrying amounts and preserving the identity of the reserves in the same form as they appeared in the financial statements of the demerged company.

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the resulting company shall automatically stand increased, without any further act, instrument or deed on the part of the resulting company, such that upon the coming into effect of this Scheme, the authorized share capital of the resulting company shall be INR 10,000,000/- (Rupees ten millions only) divided into 1,000,000 (one million) equity shares of INR 10 (Rupee Ten Only). Consequently, Clause V of the Memorandum of Association of the resulting company shall, upon the coming into effect of this Scheme and without any further act or deed, be and stand altered, modified and substituted pursuant to Sections 13, 61 and 230 to 232 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

"V. The Authorized Share Capital of the Company is INR. 10,000,000 (Rupees ten millions only) divided into 1,000,000 (one million) Equity Shares of INR. 10/ (Rupees ten millions only) each."

Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the certain portion of business activities of the demerged company in the resulting company in terms of Part II of the Scheme, the resulting company shall, without any further act or deed, issue and allot to the equity shareholders of the demerged company, whose name is recorded in the register of members or records of the depositories as members of the demerged company, on the Record Date, 1 (one) equity share of INR 10/- (Rupee ten only) each of the resulting company credited as fully paid-up for every 1(one) equity share of INR 10/- (Rupee ten only) each held by such shareholder of demerged company ("New Equity Shares").

It is clarified that no cash consideration shall be paid by the resulting company to the demerged company or its shareholders.

Book value of assets and liabilities related to the demerged undertaking of the demerged company transferred are as under:

Particulars	As at 01 April 2019
ASSETS	
Property, plant and equipment	0.62
Non Current Investments	0.46
Loans (refer note (a) below)	0.35
Inventories	127.14
Trade Receivables	98.54
Cash and cash equivalent (refer note (a) below)	7.53
Deferred tax asset (net)	0.07
Other current assets (refer note(a) below)	2.77
Other current assets	2.78
Total assets	240.26
LIABILITIES	
Trade Payables	96.76
Borrowings (refer note (a) below)	37.86
Other current liabilities (refer note (a) below)	2.15
Other current liabilities	0.91
Current tax liability (refer note (a) below)	17.06
Provisions	0.32
Total liabilities	155.06
Share capital to be cancelled on account of arrangement	(0.10)
Retained earnings taken over	98.26
Net (liabilities) taken over (shown under capital reserve in other equity)	(12.96)

Note (a) : In accordance with the terms of the scheme, the demerged company has retained certain assets and liabilities in its books for the sake of convenience and towards facilitating a single point of contact for realization of assets and discharge of liabilities to third persons Accordingly, the demerged company has recognized a net receivable / payable from/to the resulting company.

Note 39 - Share issue expenses

During the year the company has made Initial Public Offering of 2,500,175 equity shares of face value of Rs. 10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of Rs. 400 per equity share (including a share premium of Rs. 390 per equity share) and 3,500 equity shares to the employees at a price of Rs. 380 per equity share (including a share premium of Rs. 370 per equity shares) aggregating to Rs. 1000.00 million.

The proceeds from IPO were Rs. 967.79 million. (Gross of issue related expenses Rs. 1000.00 million).

The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID NURECA and BSE Limited (BSE) via ID 543264 on 25 February 2021.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Details of utilization of net IPO proceeds are as follows:

Particulars	Planned proceeds as per Prospectus	Actual proceeds	Utilization upto 31 March 2021	Unutilized amount as on 31 March 2021
Funding incremental working capital requirements	750.00	750.00	190.53	559.47
General Corporate purpose	210.79	217.79	-	217.79
Total proceeds	960.79	967.79	190.53	777.26

The Company has incurred Rs. 32.21 millions (excluding GST) of IPO expenses. These expenses have been adjusted towards the securities premium account. IPO proceeds which were unutilised as at 31 March 2021 were temporarily invested in deposits with bank account.

The difference in planned proceeds as per prospectus and actual proceeds is due to saving in the planned IPO expenses amounting to Rs. 7.0 million.

Note 40 - First time adoption

The Statement of balance sheet of the Company as at 31 March 2021, the Statement of profit and loss, the Statement of changes in equity and the Statement of cash flows for the period ended 31 March 2021 have been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

I. Exemptions applied:

1. Mandatory exceptions:

a) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Impairment of financial assets based on the expected credit loss model.

b) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

2. Optional exemptions:

a) Deemed cost for property, plant and equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 1 April 2019. For the purpose of standalone financial statements for the year ended 31 March 2021, 31 March 2020 and 1 April 2019 the Company has provided the depreciation based on the estimated useful life of respective years.

b) Leases

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (1 April 2019) when applying Ind AS 116 initially:

- lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

ii) a right-of-use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Statement of assets and liabilities immediately before the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

II. Reconciliation of total equity between previous GAAP and Ind AS

Particulars	Notes	As at 31 March 2020	As at 1 April 2019
Total equity reported earlier under previous GAAP		149.90	85.65
(i) Ind AS adjustments			
-Leases	a	(0.24)	-
-Financial assets measured at amortised cost	b	(0.00)	-
-Right to return	c	(0.03)	-
-Tax adjustments	e	0.07	-
Total equity as per Ind AS		149.70	85.65

III. Reconciliation of total comprehensive income between previous GAAP and Ind AS

Particulars		For the year ended 31 March 2020
Profit for the year reported earlier under previous GAAP		64.24
Ind AS adjustments		
-Leases	a	(0.24)
-Financial assets measured at amortised cost	b	(0.00)
-Right to return	c	(0.03)
-Remeasurements of the defined benefit plans reclassified to OCI	d	0.06
-Tax adjustments	e	0.07
Profit for the year reported earlier under Ind AS		64.10
Other comprehensive income (net of tax)		(0.05)
Total comprehensive Income as reported under Ind AS		64.05

IV. Impact of Ind AS adoption on the Statement of Cash Flows

There were no material differences between the standalone financial statements and cash flow statement under previous GAAP (as adjusted for the impact of the arrangement).

V. Notes to first time adoption

a Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Company has recognized a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

The impact arising from the change is as follows:

	Increase/(decrease)
Statement of Profit and Loss	For the year ended 31 March 2020
Rent expense	3.36
Interest expense on financial liabilities measured at amortised cost- on lease liabilities	(0.65)
Depreciation expense	(2.95)
Adjustment before income tax-Profit/(loss)	(0.24)
	Increase/(decrease)
Balance Sheet	As at 31 March 2020
Assets: Right- of use assets	6.09
Liabilities: Lease liabilities (Borrowings)	6.30
	As at 1 April 2019
	4.30
	4.30

b Financial assets measured at amortised cost

Under previous GAAP, the security deposits paid for lease rent are shown at the transaction value. Whereas under Ind AS, the same are initially discounted and subsequently recorded at amortized cost at the end of every financial reporting year. Accordingly, the difference between the transaction and discounted value of the security deposits paid is recognized as right-of- use assets and is amortized over the period of the lease term .Further, interest is accreted on the present value of the security deposits paid for lease rent.

Notes to the Standalone Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

The impact arising from the change is as follows:

	Increase/(decrease)
Statement of Profit and Loss	For the year ended 31 March 2020
Interest income from financial assets at amortized cost	0.02
Depreciation expense	(0.02)
Adjustment before income tax-Profit /(loss)	(0.00)

		Increase/(decrease)	
Balance Sheet	31 March	As at 2020	As at 1 April 2019
Asset: Loans		(0.05)	-
Asset: Right of use asset		0.05	-

c Right to return

Under Ind AS 115, a refund liability for the expected refunds to customers is recognized as adjustment to revenue as refund liability in other current liabilities. At the same time, the Company has a right to recover the product from the customer where the customer exercises his right to return and recognizes an asset and a corresponding adjustment to changes in inventories. The asset is measured in reference to the former carrying amount of the product. The costs to recover the products are not material because the customer usually returns the product in a saleable condition.

d Remeasurements of the defined benefit plans reclassified to OCI

Under Previous GAAP, the Company recognized remeasurement of defined benefit plans under Statement of Profit and Loss. Under Ind AS, remeasurement of defined benefit plans are recognized immediately in the standalone financial statements with a corresponding debit or credit to retained earnings through OCI.

e Deferred tax assets (net)

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments and restatement adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

The impact arising from the change is as follows:

The impact arising from the change is as follows:		Increase/(decrease)	
Statement of Profit and Loss		For the year ended 31 March 2020	
<i>Tax adjustment on Ind AS adjustments</i>			
Deferred tax impact on lease		0.06	
Deferred tax impact on financial assets measured at amortised cost		0.00	
Adjustment before income tax-Profit/(loss)		0.06	
<i>Tax adjustment on restatement adjustments</i>			
Deferred tax impact on preliminary expenses		(0.01)	
Adjustment before income tax-Profit/(loss)		(0.01)	
		Increase/(decrease)	
Balance Sheet		As at 31 March 2020	As at 1 April 2019
Assets: Deferred tax assets (net)			
- Deferred tax impact on lease adjustment		0.06	-
- Deferred tax impact on financial assets measured at amortised		0.00	-

VI. Regrouping / reclassification

Appropriate adjustments have been made in the Standalone Ind AS Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements.

These amendments does not have any impact on the standalone Ind AS financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Nureca Limited

Gaurav Mahajan
Partner
Membership Number : 507857

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 16 June 2021

Rajinder Sharma
Director
DIN : 00317133
Place: Chandigarh
Date: 16 June 2021

Aryan Goyal
Chief Executive Officer
Place: U.S.A.
Date: 16 June 2021

Place: Chandigarh
Date: 16 June 2021

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 16 June 2021

Gurvikram Singh
Company Secretary
Membership Number: 60255
Place: Chandigarh
Date: 16 June 2021

Independent Auditors' Report To the Members of Nureca Limited

Report on the Audit of Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial statements of Nureca Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

3. Key Audit Matters

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

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition – fraud risk Refer to note 2.3.7 and 21 to the consolidated financial statements	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:
Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns.	We assessed the appropriateness of the accounting policies in respect of revenue recognition with reference to the applicable accounting standards.
There is presumed fraud risk as per Standards on Auditing with regard to revenue recognition. We focussed on this area since there is a risk that revenue may be overstated because of fraud, resulting from the pressure, the Board of Directors may feel to achieve performance targets. Also, revenue is a key performance indicator for the Company which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement.	We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions selected using random sampling.
In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.	- We performed testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year. For such samples, verified the underlying documents, including invoices, purchase orders and customer acceptances, to assess whether revenue is recognised in the appropriate period in which control is transferred. - We performed analytical procedures on revenue recognised during the year to identify any unusual variances.

	We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate reporting period.
	We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items.
	We assessed the adequacy of the disclosures made in accordance with the relevant accounting standard.

4. Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

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

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

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of 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 para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

7. Other Matters

(a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets (before consolidation adjustments) of Rs. 7.15 million as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 1.18 million and net cash inflows amounting to Rs. 1.82 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

(b) The financial information of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of Rs. 0.84 million as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 0.04 million and net cash inflows amounting to Rs. 0.26 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

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 information certified by the Management.

8. Report on Other Legal and Regulatory Requirements

A. 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 as were audited by other auditors, 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 purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 and 02 April 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

i. There were no pending litigations as at 31 March 2021 which would impact the consolidated financial position of the Group.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN No.: 21507857AAAABB8706

Place: Chandigarh
Date: 16 June 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of Nureca Limited for the period ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 8(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Nureca Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Place: Chandigarh
Date: 16 June 2021

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN No.: 21507857AAAABB8706

Notes to the Consolidated Financial Statements for the year ended 31 March 2021*(Amount in INR million, unless otherwise stated)*

Particulars	Notes	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Assets				
(1) Non-current assets				
(a) Property, plant and equipment	3a	7.54	4.55	1.21
(b) Right-of-use assets	4	29.29	6.09	4.30
(c) Intangible assets under development	3b	3.02	-	-
(d) Financial assets				
- Investments	5	-	-	0.00
- Loans	6	0.95	0.25	0.02
(e) Deferred tax assets (net)	29	5.52	0.42	0.07
Total non-current assets		46.32	11.31	5.60
(2) Current assets				
(a) Inventories	7	367.76	164.26	135.49
(b) Financial assets				
-Trade receivables	8	36.95	128.97	88.56
-Cash and cash equivalents	9	172.42	0.74	1.11
-Other bank balances	10	1,094.50	-	-
-Loans	6	5.18	-	-
-Other financial assets	11	16.18	19.88	-
(c) Other current assets	12	118.21	13.67	4.47
Total current assets		1,811.20	327.52	229.63
Total assets		1,857.52	338.83	235.23
Equity and liabilities				
(1) Equity				
(a) Equity share capital	13	100.00	0.10	0.10
(b) Other equity	14	1,530.98	149.24	85.33
Total equity		1,630.98	149.34	85.43
Liabilities				
(2) Non-current liabilities				
(a) Financial liabilities				
- Borrowings	15	33.36	93.45	2.60
(b) Provisions	16	4.51	1.01	0.29
Total non-current liabilities		37.87	94.46	2.89
(3) Current liabilities				
(a) Financial liabilities				
- Borrowings	15	2.19	0.75	-
- Trade payables	17			
- total outstanding dues of micro and small enterprises		5.09	-	-
- total outstanding dues of creditors other than micro and small enterprises		82.35	58.31	97.60
- Other financial liabilities	18	3.47	4.16	48.19
(b) Other current liabilities	19	50.48	8.12	1.03
(c) Provisions	16	0.70	0.08	0.03
(d) Current tax liabilities (net)	20	44.39	23.61	0.06
Total current liabilities		188.67	95.03	146.91
Total liabilities		226.54	189.49	149.80
Total equity and liabilities		1,857.52	338.83	235.23
Significant accounting policies	2			
Notes to the consolidated financial statements	3-41			

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of Nureca Limited**Gaurav Mahajan**
Partner

Membership No. : 507857

Place: Chandigarh
Date: 16 June 2021**Saurabh Goyal**
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 16 June 2021**Nishant Garg**
Chief Financial Officer
Place: Chandigarh
Date: 16 June 2021**Rajinder Sharma**
Director
DIN : 00317133
Place: Chandigarh
Date: 16 June 2021**Gurvikram Singh**
Company Secretary
Membership No. 60255
Place: Chandigarh
Date: 16 June 2021**Aryan Goyal**
Chief Executive Officer
Place: U.S.A.
Date: 16 June 2021

Notes to the Consolidated Financial Statements for the year ended 31 March 2021*(Amount in INR million, unless otherwise stated)*

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I Revenue from operations	21	2,134.54	994.26
II Other income	22	28.17	0.61
III Total income (I + II)		2,162.71	994.87
IV Expenses			
Purchase of stock-in-trade	23	1,200.12	674.85
Changes in inventories of stock-in-trade	24	(205.30)	(28.82)
Employee benefits expense	25	45.83	31.57
Finance costs	26	16.03	7.73
Depreciation expense	27	4.22	3.74
Other expenses	28	478.48	219.72
Total expenses (IV)		1,539.38	908.79
V Profit before tax (III-IV)		623.33	86.08
VI Tax expense:			
(i) Current tax	29	164.69	22.47
(ii) Deferred tax	29	(5.10)	(0.34)
Total tax expense		159.59	22.13
VII Profit for the year (V-VI)		463.74	63.95
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit obligation		0.12	(0.06)
Income tax relating to remeasurement of defined benefit obligation		(0.03)	0.01
(ii) Net change in fair value of equity instruments through other comprehensive income		-	-
Income tax related to net change in fair value of equity instruments through other comprehensive income		-	-
Items that will be reclassified to profit or loss			
(i) Exchange differences on translating the financial statements of a foreign operation		0.02	0.01
Income tax relating to translating the financial statements of a foreign operation		-	-
(ii) Net change in fair value of equity instruments through other comprehensive income (FVOCI)		-	(0.00)
Income tax relating to net change in fair value of equity instruments through other comprehensive income		-	-
Total other comprehensive income/(loss) for the year (net of tax)		0.11	(0.04)
(IX) Total comprehensive income for the year (VII+VIII)		463.85	63.91

Earnings per equity share

Basic and diluted [nominal value of INR 10 per share]	30	62.04	9.14
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Significant accounting policies

Notes to the consolidated financial statements

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Gaurav Mahajan**Partner**

Membership No. : 507857

Place: Chandigarh

Date: 16 June 2021

For and on behalf of Board of Directors of Nureca Limited**Saurabh Goyal**
Managing Director

DIN : 00136037

Place: Chandigarh

Date: 16 June 2021

Nishant Garg
Chief Financial Officer

Place: Chandigarh

Date: 16 June 2021

Rajinder Sharma
Director

DIN : 00317133

Place: Chandigarh

Date: 16 June 2021

Gurvikram Singh
Company Secretary

Membership No. 60255

Place: Chandigarh

Date: 16 June 2021

Aryan Goyal
Chief Executive Officer

Place: U.S.A.

Date: 16 June 2021

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

A Equity share capital

Particulars	Note	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		10,000	0.10	10,000	0.10	10,000	0.10
Add: Share capital issued pursuant to scheme of arrangement	38						
Less: Share capital cancelled pursuant to scheme of arrangement	38	1,000,000	10.00	-	-	-	-
Add: Bonus share issued during the year	13(d)	(10,000)	(0.10)	-	-	-	-
Add: Shares issued on private placement basis	13(e)	6,000,000	60.00	-	-	-	-
Add: Fresh issue through initial public offering	13(f)	500,000	5.00	-	-	-	-
		2,500,175	25.00	-	-	-	-
Balance at the end of the year		10,000,175	100.00	10,000	0.10	10,000	0.10

B Other equity (Refer note 14)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Capital reserve	Securities premium	Reserves and surplus	Retained earnings	Foreign Currency	Other comprehensive income	Net change in fair value of equity instruments through other comprehensive income	Total equity
Balance as at 1 April 2019	10.00	(0.10)	(12.96)	-	-	88.40	(0.01)	-	-	85.33
<i>Total comprehensive income for the year</i>										
Add: Profit for the year	-	-	-	-	-	63.95	-	-	(0.00)	63.95
Add: Other comprehensive income/loss (net of tax) for the year	-	-	-	-	-	(0.05)	0.01	-	(0.04)	(0.04)
Total comprehensive income for the year	10.00	(0.10)	(12.96)	-	-	152.30	0.00	0.00	(0.00)	149.24
Add/Less: Transfer to retained earnings	-	-	(0.00)	-	-	(0.00)	-	-	0.00	-
Balance as at 31 March 2020	10.00	(0.10)	(12.96)	-	-	152.30	0.00	0.00	-	149.24
Balance as at 1 April 2020	10.00	(0.10)	(12.96)	-	-	152.30	0.00	0.00	-	149.24
<i>Total comprehensive income for the year</i>										
Add: Profit for the year	-	-	-	-	-	463.74	-	-	-	463.74
Add: Other comprehensive income/loss (net of tax) for the year	-	-	-	-	-	0.09	0.02	-	0.11	0.11
Total comprehensive income for the year	10.00	(0.10)	(12.96)	-	-	616.14	0.02	-	-	613.09
Add: Share capital cancelled pursuant to scheme of arrangement	-	0.10	-	-	-	-	-	-	-	0.10
Less: Share capital issued pursuant to scheme of arrangement	(10.00)	-	-	-	-	-	-	-	-	(10.00)
Less: Bonus share issued during the year	-	-	-	-	-	(60.00)	-	-	-	(60.00)
Add: Premium on issue of equity shares on private placement basis	-	-	-	45.00	-	-	-	-	-	45.00
Add: Premium on issue of equity shares through initial public offering	-	-	-	975.00	-	-	-	-	-	975.00
Less: Utilization towards share issue expenses (Refer note 40)	-	-	-	(32.21)	-	-	-	-	-	(32.21)
Balance as at 31 March 2021	-	-	(12.96)	987.79	-	556.14	0.02	-	-	1,530.98

Significant accounting policies

2

Notes to the consolidated financial statements

3-41

The accompanying notes form an integral part of the consolidated financial statements

For and on behalf of Board of Directors of
Nureca Limited

For BSR & Co.LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Gaurav Mahajan

Partner

Membership No.: 507857

Place: Chandigarh

Date: 16 June 2021

Saurabh Goyal

Managing Director

DIN: 00136037

Place: Chandigarh

Date: 16 June 2021

Rajinder Sharma

Director

DIN: 00317133

Place: Chandigarh

Date: 16 June 2021

Aryan Goyal

Chief Executive Officer

Place: U.S.A.

Date: 16 June 2021

Nishant Garg

Chief Financial Officer

Place: Chandigarh

Date: 16 June 2021

Gurvikram Singh

Company Secretary

Membership Number: 60255

Place: Chandigarh

Date: 16 June 2021

Notes to the Consolidated Financial Statements for the year ended 31 March 2021*(Amount in INR million, unless otherwise stated)*

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A Cash flows from operating activities		
Profit before tax for the year	623.33	86.08
Adjustments for:		
Depreciation expense	4.22	3.74
Non-current investment written off	-	0.00
Expected credit loss on trade receivables	-	0.56
Income on unwinding of security deposits	(0.02)	(0.02)
Unrealized foreign exchange (gain)	(1.60)	(0.18)
Finance costs	16.03	7.73
Interest income	(17.55)	(0.18)
Operating cash flows before working capital changes	624.41	97.73
Working capital adjustments		
(Increase) in inventories	(203.50)	(28.77)
Decrease / (increase) in trade receivables	92.02	(40.97)
Increase / (decrease) in trade payables	30.73	(39.12)
(Increase) in Loans	(6.28)	(0.25)
(Increase) in other current assets	(84.66)	(29.08)
(Decrease) in other financial liabilities	-	(46.50)
Increase in other current liabilities	42.36	7.09
Increase in provisions	4.25	0.70
Cash generated from / (used in) operating activities	499.33	(79.17)
Income tax paid (net)	(150.66)	(0.06)
Net cash generated from / (used in) operating activities (A)	348.67	(79.23)
B Cash flows from investing activities		
Purchase of property, plant and equipment	(4.25)	(4.12)
Purchase of intangible assets under development	(3.02)	-
Interest received	1.37	0.18
Investment in other bank balances	(1,094.50)	-
Net cash used in investing activities (B)	(1,100.40)	(3.94)
C Cash flows from financing activities		
Proceeds from issue of equity shares on private placement basis	50.00	-
Proceeds from issue of equity shares through initial public offering	1,000.00	-
IPO expenses	(32.21)	-
Payment of lease liabilities (including interest)	(4.65)	(3.36)
Interest paid	(8.26)	(5.37)
Repayment of borrowings	(128.85)	(7.50)
Proceeds from borrowings	47.36	98.99
Net cash generated from financing activities (C)	923.39	82.76
Net increase/(decrease) in cash and cash equivalents (A+B+C)	171.66	(0.40)
Effect of exchange rate fluctuations on cash & cash equivalents held in foreign currency	0.02	0.04
Cash and cash equivalents at the beginning of the year	0.74	1.11
Cash and cash equivalents at the end of the year	172.42	0.74
Notes:		
1. Components of cash and cash equivalents		
Cash on hand	-	0.00
Balances with banks:		
- In current accounts	6.42	0.74
- Fixed deposits with original maturity upto three months	166.00	-
	172.42	0.74
2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2.3.18.		
3. Refer note 15(c) for reconciliation of movements of liabilities to cash flows arising from financing activities.		
3. During the year, the Company paid in cash Rs. 0.76 (previous year: Rs. 0.52) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 28(b)).		
Significant accounting policies	2	
Notes to the consolidated financial statements	3-41	
The accompanying notes form an integral part of the consolidated financial statements		
As per our report of even date attached		

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Gaurav Mahajan**Partner**

Membership No. : 507857

Place: Chandigarh

Date: 16 June 2021

**For and on behalf of Board of Directors of
Nureca Limited****Saurabh Goyal**
Managing Director

DIN : 00136037

Place: Chandigarh

Date: 16 June 2021

Nishant Garg
Chief Financial Officer

Place: Chandigarh

Date: 16 June 2021

Rajinder Sharma
Director

DIN : 00317133

Place: Chandigarh

Date: 16 June 2021

Gurvikram Singh
Company Secretary

Membership No. 60255

Place: Chandigarh

Date: 16 June 2021

Aryan Goyal
Chief Executive Officer

Place: U.S.A.

Date: 16 June 2021

1. Corporate information

Nureca Limited ('the Company') and its subsidiaries, (collectively, the Group). The Company is a public limited company which is domiciled and incorporated in Republic of India under the provisions of the Companies Act, 2013 (CIN U24304MH2016PLC320868) on 02 November 2016 and has been converted into a public company with effect from 08 July 2020 with registered office situated at 128 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai - 400063. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India on 25 February 2021.

The Group is engaged in the business of home healthcare and wellness products.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated Ind AS financial statements ("Ind AS financial statements") has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The Group's financial statements upto and for the year ended 31 March 2020 were prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP").

As these are Group's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First time adoption of Indian Accounting Standards has been applied. The transition was carried out from Indian GAAP. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows (Refer Note 41). The Consolidated Ind AS financial statements for the year ended 31 March 2021 were approved for issue by the Company's Board of Directors on 16 June 2021.

Functional and presentation currency

Items included in the Consolidated Ind AS financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Ind AS financial statements are presented in Indian rupee (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 10,000 have been rounded and are presented as INR 0.00 million in the Consolidated Ind AS financial statements.

Basis of measurement

The Consolidated Ind AS financial statements has been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair value
Defined benefits obligation	Present value of defined benefits obligations

2.2 Basis of consolidation

The financial information of the Company and its subsidiaries is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions are eliminated in full.

Foreign operations

Revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

The Consolidated Ind AS financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the Company's investment in subsidiaries is offset (eliminated) against the Company's portion of equity in subsidiaries.

The detail of consolidated entity as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership #		
		As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Nureca Inc.	USA	100%	100%	100%
Nureca Healthcare Private Limited*	India	100%	N.A	N.A
Nureca Technologies Private Limited \$	India	100%	N.A	N.A

Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 38)

* Incorporated on 11 August 2020

\$ Incorporated on 13 July 2020

2.3 Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of Consolidated Ind AS financial statements are as given below. These accounting policies have been applied consistently to all years presented in the Consolidated Ind AS financial statements.

2.3.1 Current vs non-current classification

The Group presents assets and liabilities in the Consolidated Ind AS financial statements of Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.3.2 Business combinations

Ind AS 103, Business Combinations, prescribes significantly different accounting for business combinations which are not under common control and those under common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.
- The identity of the reserves has been preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

2.3.3 Property, plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Group and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- Purchase price, net of any trade discounts and rebates;
- Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the expenditure can be measured reliably.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

Particulars	Management estimated useful life	Useful life as per Schedule II
Computers	3 Years	3 Years
Office Equipment	5 Years	5 Years
Furniture and fixtures	10 Years	10 Years
Plant & Machinery	15 Years	15 Years

Depreciation on additions to/deductions from property, plant and equipment during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognized.

2.3.4 Other Intangible assets

Acquired Intangible

Intangible assets that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

2.3.5 Impairment of non-financial assets

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the Consolidated Statement of Profit and Loss.

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 assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Consolidated Statement of Profit and Loss.

2.3.6 Inventories

- a) Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.
- b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.3.7 Revenue recognition

The specific recognition criteria described below must also be met before revenue is recognized.

a) Sale of products

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

b) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

c) Right of return

Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates

variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Group has adopted Ind AS 115 from 1 April 2019 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on 1 April 2019. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Group.

The Group has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

2.3.8 Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.3.9 Taxes

Income tax comprises current and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income. Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Group has opted to recognize tax expense at the new income tax rate as applicable to the Group.

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current tax is recognized in Consolidated Statement of profit and loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax is recognized in Consolidated Statement of profit and loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.3.10 Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

Exchange differences arising on settlement of monetary items, as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Consolidated Statement of profit and loss in the year in which they arise. These exchange differences are presented in the Consolidated Statement of profit and loss on net basis.

2.3.11 Employee benefit

a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the Consolidated Statement of profit and loss in the period in which the employee renders the related services.

b) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Group's contribution is recognized as an expense in the Consolidated Statement of profit and loss during the year in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plan, the obligation for any benefits remains with the Group. The Group's liability towards gratuity is in the nature of defined benefit plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Group's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Consolidated Statement of profit and loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Consolidated Statement of profit and loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Group recognizes related restructuring costs or termination benefits.

c) Other employee benefits

Benefits under the Group's compensated absences constitute other long-term employee benefits, recognized as an expense in the Consolidated Statement of profit and loss for the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Consolidated Statement of profit and loss as employee benefit expenses.

Certain employees were transferred from Nectar Biopharma Private Limited pursuant to the scheme of arrangement, approved by NCLT on 29 April 2020 (also refer note 38). The process of completing the formalities pertaining to transfer of such employees has been fully completed on 01 September 2020.

2.3.12 Cash and cash equivalents

Cash and cash equivalent includes cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

2.3.13 Provisions, contingent assets and contingent liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

c) Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.3.14 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

a) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Consolidated Statement of profit and loss.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

iv) Single discount rate

The Group has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

The Group has given adjustments for lease accounting in accordance with Ind AS 116 from 1 April 2019, and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the Consolidated Statement of Balance Sheet.

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

- a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
- b. a right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Consolidated Statement of Balance Sheet immediately before the date of initial application.

2.3.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables 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 assets**Initial recognition and measurement**

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in Consolidated Statement of profit and loss.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Consolidated Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of profit and loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method ('EIR'). The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Consolidated Statement of profit and loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Consolidated Statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

- (a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- (b) Financial assets that are measured as at FVTOCI
- (c) Lease receivables under Ind AS 116
- (d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Consolidated Statement of profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Consolidated Statement of Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

The Group derecognizes 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.

If the Group enters into transactions whereby it transfers assets recognized on its Consolidated Statement of Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

b) Financial liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Group has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognized in the Consolidated Statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of profit and loss.

c) Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

Notes to the Consolidated Financial Statement for the year ended 31 March 2021**d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Consolidated Statement of Balance Sheet if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

2.3.16 Fair value measurement

The Group measures financial instruments at fair value at each reporting period.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

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

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

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

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

- **Level 1:** quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2:** inputs other than quoted (unadjusted) prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

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

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.3.17 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.3.18 Segment reporting

The business of the Group falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Group revolve around its main business. Hence no separate reportable primary segment.

2.3.19 Consolidated Statement of cash flows

Consolidated Statement of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Group are segregated.

2.3.20 Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group is charged to the Statement of the Profit and Loss.

2.3.21 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.3.22 Share issue expense

The share issue expenses incurred by the Group on account of new shares issued are netted off from securities premium account.

2.3.23 Significant accounting estimates and judgments

The estimates used in the preparation of the Consolidated Ind AS financial statements of each year presented are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Consolidated Ind AS financial statements in the period in which they become known.

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. Actual results could differ from these estimates.

Significant judgements

• **Allowances for uncollected trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

• **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although there can be no assurance of the final outcome of legal proceedings in which the Group is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

• **Impairment of other financial assets**

The impairment provision for financial assets 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, existing market conditions as well as forward looking estimates at the end of each reporting period.

• **Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

• **Recoverability of deferred taxes**

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

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

• **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted

Notes to the Consolidated Financial Statement for the year ended 31 March 2021

Cash Flow ('DCF') model.

Significant estimates**• Defined benefit plans**

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

• Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

• Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

• Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

• Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Statement of Assets and Liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. 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 liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3.24 Recent Indian Accounting Standard (Ind AS)

On 24 March 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. The Group is evaluating these amendments on its financial statements and will give effect to the same as required by law.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 3a - Property, plant and equipment

Particulars	Gross carrying amount			Accumulated depreciation			Net block	
	As at 1 April 2020	Additions	Disposals	As at 31st March 2021	As at 1 April 2020	Charge for the year	As at 1 April 2020	As at 31st March 2021
Furniture and fixtures	2.09	2.39	-	4.48	0.11	0.27	1.98	4.10
Office equipment	1.50	1.34	-	2.84	0.22	0.42	1.28	2.20
Computers	1.73	0.07	-	1.80	0.44	0.56	1.29	0.80
Plant & Machinery	-	0.45	-	0.45	-	0.01	-	0.44
Total	5.32	4.25	-	9.57	0.77	1.26	4.55	7.54

Particulars	Gross carrying amount			Accumulated depreciation			Net block	
	As at 1 April 2019	Additions	Disposals	As at 31st March 2020	As at 1 April 2019	Charge for the year	As at 1 April 2019	As at 31st March 2020
Furniture and fixtures	-	2.09	-	2.09	-	0.11	-	1.98
Office equipment	0.49	1.01	-	1.50	-	0.22	0.49	1.28
Computers	0.72	1.01	-	1.73	-	0.44	0.72	1.29
Plant & Machinery	-	-	-	-	-	-	-	-
Total	1.21	4.11	-	5.32	-	0.77	1.21	4.55

Note 3b - Intangible asset under development

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Intangible asset under development	3.02	-	-
Total	3.02	-	-

Note:

a. The Group has elected Ind AS 101 exemption to continue with the carrying value for all of its Property Plant and Equipment at deemed cost as at the date of transition.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 4 - Right-of-use assets

The Group has entered into agreements for leasing warehouses on lease. The leases typically run for a period of 1-10 years with lock in term of 3 years after which the lease is subject to termination at the option of lessee or lessor.

- a. Information about leases for which the Group is a lessee is presented below :

Right-of-use assets - Building	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balance as at beginning of the year	6.09	4.30	-
Additions	29.22	2.12	4.68
Additions on account of arrangement #	-	2.64	-
Deletion	(3.06)	-	-
Depreciation for the year	(2.96)	(2.97)	(0.38)
Balance as at end of the year	29.29	6.09	4.30

Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 38).

- b. The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Statement of Profit and Loss.

- c. Set out below are the carrying amounts of lease liabilities and the movements during the year :

Lease liabilities included in the balance sheet	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current	3.30	3.59	1.70
Non-current	25.57	2.71	2.60
Total	28.87	6.30	4.30

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balance as at beginning of the year	6.30	4.30	-
Additions	28.90	4.70	4.61
Deletions	(3.10)	-	-
Accreditation of interest	1.42	0.66	0.10
Payment of lease liabilities	(4.65)	(3.36)	(0.41)
Balance as at end of the year	28.87	6.30	4.30

- d. As at year end date, the Group is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

- e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis - contractual undiscounted cash flows	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Less than one year	5.93	3.59	1.70
After one year but not longer than three years	10.02	3.27	3.18
More than three years	22.98	-	-
Total	38.93	6.86	4.88

- f. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- g. The Group has also taken certain office premises and office equipment on lease with contract terms within one year. These leases are short-term and/or leases of low-value items. The Group has elected not to recognize right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases and /or leases of low-value items for which the recognition exemption has been applied have been charged to the Statement of Profit and Loss on straight line basis.

- h. The table below provides details regarding amounts recognized in the Statement of Profit and Loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Expenses relating to short-term leases and/or leases of low-value items	0.85	0.27
Variable lease payments	1.31	2.12
Interest on lease liabilities	1.42	0.66
Depreciation expense	3.06	2.97
Total	6.64	6.02

- i. The following are the amounts recognized in statement of cash flows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases including short term leases/leases of low-value item and variable lease payments	6.81	5.75

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

j. For the transitional impact of Ind AS 116 and accounting policy, refer accounting policy.

Note 5 - Investments	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current Investments			
Unquoted investments (fully paid-up)			
<i>In Other Companies (at fair value through OCI)</i>			
- Nureca Electronics Limited #	-	-	0.00 [^]
Nil (31 March 2020: Nil, 1 April 2019: 200) equity shares of INR 10/- each fully paid up			
Total	-	-	0.00[^]

Aggregate value of unquoted investments	-	-	0.00 [^]
Aggregate amount of impairment in value of investments *	-	0.00 [^]	-

Transfer from Nectar Biopharma Private Limited pursuant to the scheme of arrangement which was approved by NCLT on 29 April 2020 (also refer note 38).

[^] The total value of shares in absolute value was INR 2,000/- but for reporting purpose rounded upto INR 0.00 Million.

* The Group has identified impairment as at 31 March 2021: INR Nil (31 March 2020: INR 0.00, 1 April 2019: INR Nil). The impairment on financial assets is recognized within other comprehensive income and transferred to retained earnings on derecognition of equity instruments. Since amount is not material, it is not separately reflected in the consolidated Financial Statements. Nureca Electronics Limited ceased to exist on 03 December 2019.

Note 6 -Loans	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Security deposits	0.95	0.25	0.02
	0.95	0.25	0.02
Current			
Security deposits	5.18	-	-
	5.18	-	-
Break-up for security details:			
Loans receivables considered good - unsecured	6.13	0.25	0.02
	6.13	0.25	0.02
Less: expected credit loss allowance	-	-	-
	6.13	0.25	0.02

Note 7 - Inventories	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
<i>(At lower of cost and net realizable value)</i>			
Stock-in-trade	367.76	164.26	135.49
	367.76	164.26	135.49

Notes:

Includes goods-in-transit

Note 8 - Trade receivables	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
From related parties (refer note 33)	-	10.14	5.63
From others	37.51	119.39	82.93
Less: expected credit loss allowance	(0.56)	(0.56)	-
	36.95	128.97	88.56

Break-up for security details:

Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	36.95	128.97	88.56
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	0.56	0.56	-
	37.51	129.53	88.56
Less: expected credit loss allowance	(0.56)	(0.56)	-
	36.95	128.97	88.56

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Movement in expected credit loss allowance of trade receivable

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balance at the beginning of the year	0.56	-	-
Additions during the year	-	0.56	-
Balance at the end of the year	0.56	0.56	-

Note 9 - Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balances with bank			
- In current accounts	6.42	0.74	1.11
- Fixed deposits with original maturity upto three months	166.00	-	-
Cash on hand	-	0.00	0.00
	172.42	0.74	1.11

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank			
- In current accounts	6.42	0.74	1.11
- Fixed deposits with original maturity upto three months	166.00	-	-
Cash on hand	-	0.00	0.00
	172.42	0.74	1.11

Note 10 - Other bank balances

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Bank deposits with original maturity of more than three months but less than twelve months*	1,094.50	-	-
	1,094.50	-	-

*Includes restricted deposits of Rs. 409.00 (31 March 2020: Rs. Nil, 1 April 2021: Rs. Nil) pledged as security for letter of credit and bank guarantee.

Note 11 - Other financial assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Recoverable on account of arrangement (also refer note 38)	-	19.88	-
Interest accrued not due on fixed deposits	16.18	-	-
	16.18	19.88	-

Note 12 - Other current assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balances with government authorities	97.31	3.13	1.29
Prepaid expenses	13.08	-	0.06
Advances to employees	0.02	0.10	-
Advances to suppliers	5.95	10.35	3.12
Expenses recoverable from related parties	-	0.04	-
Right to recover returned goods	1.85	0.05	-
	118.21	13.67	4.47

Note 13 - Equity share capital

Authorized

11,000,000 (31 March 2020: 10,000, 01 April 2019: 10,000)
equity shares of INR 10 each #

110.00 0.10 0.10

Issued, subscribed and paid-up

10,000,175 (31 March 2020: 10,000, 01 April 2019: 10,000)
equity shares of INR 10 each fully paid up #
Also, refer note 36

100.00 0.10 0.10

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Amount in INR million, unless otherwise stated)

a) Rights, preferences and restrictions attached to equity shares

As per the memorandum of association, the Group's authorized share capital consist of equity shares. All equity shares rank equally with regard to dividends and share in the Group's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Group. On winding up of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting year:

	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	10,000	0.10	10,000	0.10	10,000	0.10
Add: shares issued during the year (Refer note 38)	1,000,000	10.00	-	-	-	-
Less: shares cancelled during the year (Refer note 38)	(10,000)	(0.10)	-	-	-	-
Add: bonus shares issued during the year (refer note d)	6,000,000	60.00	-	-	-	-
Add: shares issued on private placement basis (refer note e)	500,000	5.00	-	-	-	-
Add: fresh issue through initial public offering (refer note f)	2,500,175	25.00	-	-	-	-
Balance at the end of the year	10,000,175	100.00	10,000	0.10	10,000	0.10

c) Details of shareholders holding more than 5 percent equity shares in the Group:

	As at 31 March 2021			As at 31 March 2020			As at 01 April 2019		
	No. of Shares	% holding in the class		No. of Shares	% holding in the class		No. of Shares	% holding in the class	
Nectar Biopharma Private Limited*	21	0.00		10,000	100.00		10,000	100.00	
Payal Goyal	3,499,979	35.00		-	-		-	-	
Saurabh Goyal	3,499,979	35.00		-	-		-	-	
	6,999,979	70.00		10,000	100.00		10,000	100.00	

* Including Nil (31 March 2020:1;1 April 2019:1) equity share held in the name of Mr. Saurabh Goyal as a nominee shareholder as per proviso to section 187 (1) of the Companies Act, 2013.

d) Aggregate number of shares allotted or fully paid up from the date of incorporation i.e. 2 November 2016 till the balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

Particulars	31 March 2021	31 March 2020	31 March 2019	31 March 2018	1 April 2017
	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares
Shares allotted as per approved scheme of arrangement	1,000,000	-	-	-	-
Bonus shares issued	6,000,000	-	-	-	-

Note:- As per approval of Honorable National Company Law Tribunal ('NCLT') for the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, with effect from appointed date of 1 April 2019, the Company cancelled 10,000 shares and issued 1,000,000 shares for consideration other than cash on 10 June 2020.

e) Private Placement

During the year ended 31 March 2021 the Group had made allotment of 500,000 equity shares of Rs. 50 million on 21 October 2020 on private placement basis at an issue price of Rs. 100 per equity share (Including premium of Rs. 90 per equity share).

f) Initial public offer

During the year the Group has made Initial Public Offering of 2,500,175 equity shares of face value of Rs. 10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of Rs. 400 per equity share (including a share premium of Rs. 390 per equity share) and 3,500 equity shares to the employees at a price of Rs. 380 per equity share (including a share premium of Rs. 370 per equity shares) aggregating to Rs. 1000.00 million. These equity shares were allotted on 23 February 2021 and the equity share of the Group got listed on the National stock exchange (NSE) and BSE Limited (BSE) on 25 February 2021.

Note 14 - Other equity

a) Equity share capital pending allotment pursuant to arrangement (refer note 38)

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the year	10.00	10.00	10.00
Movement during the year	(10.00)	-	-
Balance at the end of the year	-	10.00	10.00

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Amount in INR million, unless otherwise stated)

Note 14 - Other equity (Continued)

b Equity share capital pending cancellation pursuant to arrangement (refer note 38)

Balance at the beginning of the year
Movement during the year
Balance at the end of the year

c Capital reserve

Balance at the beginning of the year
Movement during the year
Balance at the end of the year

d Security premium

Balance at the beginning of the year
Add: Premium on issue of equity shares on private placement basis
Add: Premium on issue of equity shares through initial public offering
Less: Utilization towards share issue expenses (Refer note 40)
Balance at the end of the year

e Retained earnings

Balance at the beginning of the year
Add: Profit for the year
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)
Less: equity instruments derecognized during the year (refer note g below)
Less: Bonus Shares issued during the year
Balance at the end of the year

f Foreign currency translation reserve

Balance at the beginning of the year
Less: Movement during the year
Balance at the end of the year

g Net change in fair value of equity instruments through other comprehensive income

Balance at the beginning of the year
Less: Movement during the year
Add: Transferred to retained earnings
Balance at the end of the year

Total

Nature of reserves

a. Equity share capital pending allotment pursuant to arrangement

Equity share capital pending allotment pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been allotted on 10 June 2020. Also, refer note 38.

b. Equity share capital pending cancellation pursuant to arrangement

Equity share capital pending cancellation pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been cancelled on 10 June 2020. Also, refer note 38.

c. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

d. Security premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

e. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

f. Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes or partially disposes off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

g. Equity instruments through other comprehensive income

The Group has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Group transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
	(0.10) 0.10	(0.10) -	(0.10) -
	-	(0.10)	(0.10)
	(12.96)	(12.96)	(12.96)
	(12.96)	(12.96)	(12.96)
	-	-	-
	45.00	-	-
	975.00	-	-
	(32.21)	-	-
	987.79	-	-
	152.31	88.40	26.16
	463.74	63.95	62.24
	0.09	(0.05)	(0.00)
	-	(0.00)	-
	(60.00)	-	-
	556.14	152.31	88.40
	0.00	(0.01)	(0.00)
	0.02	0.01	(0.01)
	0.02	0.00	(0.01)
	-	-	-
	-	-	-
	-	-	-
	1,530.99	149.25	85.33

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 15 - Borrowings

A. Non-current borrowings

Unsecured

Deposits from directors, KMPs & their relatives (refer note 33)
Lease liability (refer note 4)

Total non-current borrowings (including current maturities)

Less: current maturities of lease liabilities (refer note 4 and 18)

Notes	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a)	7.79	90.74	-
	28.87	6.30	4.30
	36.66	97.04	4.30
(b)	(3.30)	(3.59)	(1.70)
	33.36	93.45	2.60

Notes:

(a) Deposits from directors & their relatives carry interest rate of 8% (31 March 2020: 8%, 1 April 2019: Nil) per annum and are repayable by 31 March 2023.

(b) Current and non-current classification is based on contractual maturities.

B. Current borrowings

Unsecured

Inter corporate deposits
- from related party (refer note 33)

Notes	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(c)	2.19	0.75	-
	2.19	0.75	-

Notes:

(c) Inter corporate deposits from related parties include deposit of INR 1.46 (31 March 2020: Nil, 01 April 2019: Nil) from Trumom Private Limited carrying interest rate of 6% (31 March 2020: Nil, 01 April 2019: Nil) per annum and deposit of INR 0.73 (31 March 2020: INR 0.75, 01 April 2019: Nil) from Nectar Biopharma Private Limited carrying interest rate of 6% (31 March 2020: Nil, 01 April 2019: Nil) per annum.

C. Reconciliation of movements of liabilities to cash flows arising from financing activities

Borrowings at the beginning of the year (current and non-current borrowings)

Proceeds from non-current borrowings

Repayments of non-current borrowings

Interest on lease liabilities

Additions to lease liabilities

Deletion to lease liabilities

Payment of lease liabilities (including interest)

Borrowings at the end of the year (current and non-current borrowings)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	97.79	4.30	-
	47.36	98.99	-
	(128.85)	(7.50)	-
	1.42	0.66	0.10
	28.90	4.70	4.61
	(3.10)	-	-
	(4.65)	(3.36)	(0.41)
	38.87	97.79	4.30

Note 16 - Provisions

A. Non-current

Provision for employee benefits:

Provision for compensated absences

Provision for gratuity (refer note 32)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	1.20	0.31	0.16
	3.31	0.70	0.13
	4.51	1.01	0.29

B. Current

Provision for employee benefits:

Provision for compensated absences

Provision for gratuity (refer note 32)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	0.68	0.08	0.03
	0.02	0.00	0.00
	0.70	0.08	0.03
	5.21	1.09	0.32

Note 17 - Trade payables

Total outstanding dues of micro and small enterprises

Total outstanding dues of creditors other than micro and small enterprises #

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	5.09	-	-
	82.35	58.31	97.60
	87.44	58.31	97.60

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. Refer note 34 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the financial statements based on information available with the Group.

#Refer note 33

Note 18 - Other financial liabilities

Current maturities of lease liability (refer note 4 and 15)

Interest accrued but not due on borrowings (refer note 33)

Payable on account of arrangement (Refer note 38)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	3.30	3.59	1.70
	0.17	0.57	-
	-	-	46.49
	3.47	4.16	48.19

Note 19 - Other current liabilities

Contract liability

Statutory liabilities #

Refund liability

Payable to employees

Others

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	4.40	3.76	0.09
	19.92	2.09	0.04
	18.58	0.09	-
	7.58	2.07	0.84
	-	0.11	0.06
	50.48	8.12	1.03

Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicability of the judgement and period from which the same applies. The Group has estimated the impact of the same from post 28 February 2019 and recognized in the financial statement. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Group has not recognized any provision for the period prior to date of judgement. Further management also believes that the impact of the same on the Group will not be material.

Note 20 - Current tax liabilities (net)

Current tax liabilities (net of advance tax of INR 150.79 (31 March 2020: INR 0.13, 01 April 2019: INR 0.06))

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	44.39	23.61	0.06
	44.39	23.61	0.06

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2021
Note 21- Revenue from operations		
Sale of products	2,134.54	994.26
	2,134.54	994.26
Notes:		
a. Reconciliation of revenue recognized with the contract price is as follows:		
Contract price	2,268.08	1,034.13
Adjustments for:		
- Discounts and rebates	114.96	39.78
- Refund liability	18.58	0.09
Revenue recognized	2,134.54	994.26
b. Contract Balances		
Receivables, which are included in 'trade receivables'	36.95	128.97
Contract liability, which are included in 'other current liabilities'	(4.40)	(3.76)
Refund liability, which are included in 'other current liabilities'	(18.58)	(0.09)
	13.97	125.12
Note: Considering the nature of business of the Group, the above contract liability are generally materialized as revenue within the same operating cycle.		
c. Revenue from sale of products disaggregated by primary geographical market		
India	2,134.54	994.26
Outside India	-	-
Total revenue from contracts with customers	2,134.54	994.26
Note 22- Other income		
Interest income		
- on bank deposits	17.55	-
- on financial assets measured at amortized cost at EIR	-	0.18
Exchange gain on foreign exchange fluctuation (net)	9.62	0.41
Income on unwinding of security deposit	0.02	0.02
Rental Income	0.16	-
Miscellaneous income	0.82	-
	28.17	0.61
Note 23- Purchase of stock-in-trade		
Purchase of stock-in-trade	1,200.12	674.85
	1,200.12	674.85
Note 24- Changes in inventories of stock in trade		
Opening balance		
- Stock-in-trade	164.26	135.49
- Right to recover returned goods	0.05	-
Closing balance		
- Stock-in-trade	(367.76)	(164.26)
- Right to recover returned goods	(1.85)	(0.05)
	(205.30)	(28.82)
Note 25- Employee benefits expense		
Salaries and wages	44.11	30.72
Contribution to provident and other funds (refer note 32)	0.98	0.72
Staff welfare expenses	0.74	0.13
	45.83	31.57
Note 26- Finance costs		
Interest expense on financial liabilities measured at amortised cost		
- on borrowings	6.61	3.57
- on lease liabilities	1.42	0.66
Interest expense on income tax	6.75	-
Other borrowing cost	1.25	3.50
	16.03	7.73
Note 27- Depreciation expense		
Depreciation on property, plant and equipment	1.26	0.77
Depreciation on right-of-use assets	2.96	2.97
	4.22	3.74
Note 28- Other expenses		
Advertisement	95.88	31.31
Insurance	0.72	0.38
Communication expenses	0.44	0.46
Legal and professional fee (refer note (a) below)	7.42	8.30
Rent	2.16	2.39
Travel and conveyance	0.76	2.97
Shifting and handling expenses	16.42	9.37
Security services	1.15	0.44
Expected credit loss on trade receivables	-	0.56
Commission and incentive	119.88	87.80
Packing expenses	14.19	15.06
Repairs and maintenance	1.96	1.78
Rates and taxes	2.29	1.99
Power and fuel	0.05	0.38
Freight charges	61.38	50.92
CSR expenditure (refer note (b) below)	0.76	0.52
Business support service (refer note 33G)	139.61	-
Loss on derecognition of financial assets	10.93	-
Miscellaneous expenses	2.48	5.09
	478.48	219.72

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Payment to auditors (excluding goods and services tax)		
As auditor:		
- Statutory audit	1.15	0.31
- Tax audit	-	-
- Reimbursement of expenses	0.07	-
Amount debited to Consolidated Statement of Profit and Loss	1.22	0.31
- Others services in connection with initial public offering (refer note 40)	5.26	-
Total payments	6.48	0.31

	For the year ended 31 March 2021	For the year ended 31 March 2020
(b) Details of CSR expenditure:		
Amount required to be spent by the Company during the year	0.58	-
Actual spent during the year:	0.76	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than above in cash	0.76	0.52

	For the year ended 31 March 2021	For the year ended 31 March 2020
Note 29- Tax expense		
a. Amount recognized in Consolidated Statement of Profit and Loss:		
Current tax:		
- Current year	164.69	22.47
Deferred tax:		
- Attributable to origination and reversal of temporary differences	(5.10)	(0.34)
Total tax expense recognized	159.59	22.13
b. Reconciliation of effective tax rate		
Profit before tax	623.33	86.08
Tax at India's statutory tax rate of 25.17%	156.89	21.67
Tax effect of non-deductible expenses	2.29	0.44
Share of loss from subsidiaries	0.41	0.02
Income tax expense recognized in the statement of profit and loss	159.59	22.13
c. Income tax expense recognized in other comprehensive income		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(0.03)	0.01
Net change in fair value of equity instruments through other comprehensive income	-	-
Total income tax recognized in other comprehensive income	(0.03)	0.01
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(0.03)	0.01
	(0.03)	0.01

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
d. Deferred tax balances reflected in the Balance Sheet:			
Deferred tax asset	5.66	0.49	0.10
Deferred tax liability	(0.14)	(0.07)	(0.03)
Deferred tax asset (net)	5.52	0.42	0.07

	As at 1 April 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2021
Deferred tax asset				
Provision for employee benefits	0.28	1.03	(0.03)	1.31
Expected credit loss allowance on trade receivables	0.14	-	-	0.14
Refund liability	0.01	4.20	-	4.21
Lease liabilities	0.06	(0.06)	-	-
Others	0.00	(0.00)	-	-
Deferred tax asset (A)	0.49	5.17	(0.03)	5.66
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.07)	0.04	-	(0.03)
Lease liabilities	-	(0.11)	-	(0.11)
Discounting of security deposit	0.00	-	-	0.00
Deferred tax liability (B)	(0.07)	(0.07)	-	(0.14)
Deferred tax asset (net) (A+B)	0.42	5.10	(0.03)	5.52
	As at 1 April 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2020
Deferred tax asset				
Provision for employee benefits	0.09	0.18	0.01	0.28
Expected credit loss allowance on trade receivables	-	0.14	-	0.14
Refund liability	-	0.01	-	0.01
Lease liabilities	0.00	0.06	-	0.06
Others	0.01	(0.01)	-	0.00
Deferred tax asset (A)	0.10	0.38	0.01	0.49
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.03)	(0.04)	-	(0.07)
Discounting of security deposit	-	0.00	-	0.00
Deferred tax liability (B)	(0.03)	(0.04)	-	(0.07)
Deferred tax asset (net) (A+B)	0.07	0.34	0.01	0.42

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 30- Earnings per share

i. Profit for basic diluted earning per share of face value of INR 10 each

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit for the year	463.74	63.95

ii. Weighted average number of equity shares for (basic and diluted)

(a) Number of shares at the beginning of the year *	7,000,000	7,000,000
(b) Add: effect of issue of equity share on private placement basis	221,918	-
(c) Add: effect of issue of equity share in initial public offering	253,442	-
Weighted average number of equity shares outstanding during the year	7,475,360	7,000,000

Basic and diluted earnings per share (face value of INR 10 each)

62.04 9.14

*The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares during the year in accordance with Ind AS 33 - Earnings per Share. The bonus issue resulted in allotment of 6,000,000 new equity shares. Total number of equity shares after bonus allotment is 7,000,000 equity shares.

Note 31 - Segment information

The Board of directors of Nureca Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

The Group is engaged in business of home healthcare and wellness products in the domestic market only which is considered to be a single business segment / geographical segment.

The Group is in the business of home healthcare and wellness products in the domestic market only through online portal. Considering the nature of Group's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating Segments' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

a. Information about products and services

	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from branded healthcare products	2,134.54	994.26
Total	2,134.54	994.26

b. Information about geographical areas

The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced.

	For the year ended 31 March 2021	For the year ended 31 March 2020
i. Revenue from customers		
India	2,134.54	994.26
Outside India	-	-
	2,134.54	994.26

	Asat 31 March 2021	Asat 31 March 2020	Asat 1 April 2019
ii. Trade receivables			
India	36.95	128.97	88.56
Outside India	-	-	-
	36.95	128.97	88.56

iii) Non-current assets

The Group has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

c. Information about major customers (from external customers)

For year ended 31 March 2021, 2 customer of the Company constituted more than 10% of the total revenue of Company amounting to INR 1,214.62, 31 March 2020: 1 customer of the Company constituted more than 10% of the total revenue of Company amounting to INR 352.71.

Note 32- Employee benefits

a. Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Contribution to provident and other funds (refer note 25)	0.98	0.72

b. Defined benefit plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Group to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
i. Reconciliation of present value of defined benefit obligation			
Balance at the beginning of the year	0.70	0.13	0.03
Interest cost	0.22	0.04	0.01
Current service cost	1.33	0.47	0.09
Past service cost	1.27	-	-
Benefits paid	(0.07)	-	-
Actuarial loss recognized in other comprehensive income			
- from changes in financial assumptions	-	0.06	0.00
- from changes in demographic assumptions	-	0.00	-
- from experience adjustments	(0.12)	0.00	(0.00)
Balance at the end of the year	3.33	0.70	0.13
	For the year ended 31 March 2021	For the year ended 31 March 2020	
ii. Amount recognized in statement of profit and loss			
Interest cost		0.22	0.04
Current service cost		1.33	0.47
Past service cost		1.27	-
	2.82	0.51	
iii. Remeasurements recognized in other comprehensive income			
Actuarial loss for the year on defined benefit obligation		(0.12)	0.06
	(0.12)	0.06	
iv. Actuarial assumptions			
<i>(i) Economic assumptions</i>			

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Discount rate (per annum)	7.0%	6.6%	7.4%
Future salary growth rate (per annum)	15%	10%	10%
Expected average remaining working lives (years)	28.46	28.94	29.75

(ii) Demographic assumptions

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Retirement age (years)	58	58	58
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2006-08
Attrition rate (per annum)	10%	15%	15%

v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Increase		
Discount rate (1% movement)	(0.38)	(0.06)
Future salary growth rate (1% movement)	0.32	0.07
Decrease		
Discount rate (1% movement)	0.46	0.07
Future salary growth rate (1% movement)	(0.29)	(0.07)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi. Expected maturity analysis of the defined benefit plan in future years

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Within 1 year (next annual reporting period)	0.01	0.00	-
Between 1 to 5 years	0.61	0.17	0.03
Between 5 to 10 years	1.53	0.46	0.09
Beyond 10 years	7.49	0.83	0.00
Total expected payments	9.64	1.46	0.12

vii. Weighted average duration of the defined benefit plan:

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Weighted average duration of the defined benefit plan (in years)	16.03	11.97	10.70

Note 33- Related parties

A. List of related parties and nature of relationship with whom transactions have taken place during the current/previous year

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Saurabh Goyal - Managing Director Mr. Aryan Goyal - Chief Executive Officer Ms. Sakshi Mittal - Chief Financial Officer (w.e.f. 21 October 2020 till 15 June 2021)* Mr. Gurvikram Singh - Company Secretary *Mr. Nishant Garg has been appointed as a Chief Financial Officer w.e.f. 16 June 2021 pursuant to the approval of Board of Directors and Audit Committee
Relatives of KMPs	Mrs. Payal Goyal Mrs. Raman Goyal (refer note 33F) Mrs. Smita Goyal
Entities in which KMP and/or their relatives have significant influence	Trumom Private Limited Mirasan Private Limited Nectar Life Sciences Limited (refer note 33F) Nectar Biopharma Private Limited (refer note 33G)
Non Executive Directors	Mr. Vijay Kumar Sharma (w.e.f. 21 October 2020) Mrs. Smita Goyal (upto 26 March 2021) Ms. Ruchita Agarwal (w.e.f. 29 October 2020) Ms. Charu Singh (w.e.f. 21 October 2020) Mr. Rajinder Sharma Mr. Nitin Ravindra (w.e.f. 29 March 2021) Mr. Vikram Chaudhary (w.e.f. 29 March 2021)

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant period/year

Nature of transaction	Name of related party	For the year ended 31 March 2021	For the year ended 31 March 2020
1 Revenue from operations (net of returns)	Nectar LifeSciences Limited	(5.67)**	9.51
2 Purchase of stock-in-trade	Nectar LifeSciences Limited	237.71**	189.55
3 Reimbursement of expense paid by the Group	Trumom Private Limited	-	0.04
	Nectar Biopharma Private Limited	0.13	-
	Mirasan Private Limited	0.02	-
4 Borrowings taken	Mrs. Payal Goyal	-	30.18
	Mr. Saurabh Goyal	3.90	22.21
	Mrs. Raman Goyal	-	43.18
	Mrs. Smita Goyal	-	2.68
	Trumom Private Limited	1.46	-
	Nectar Biopharma Private Limited	-	0.75
5 Borrowings repaid	Mrs. Payal Goyal	23.78	2.50
	Mr. Saurabh Goyal	17.21	5.00
	Mrs. Raman Goyal	43.18	-
	Mrs. Smita Goyal	2.68	-
6 Advance received against supply of goods	Trumom Private Limited	-	1.90
7 Interest accrued during the year	Mrs. Payal Goyal	0.63	0.17
	Mr. Saurabh Goyal	0.18	0.14
	Mrs. Raman Goyal	1.83	0.27
	Mrs. Smita Goyal	0.03	0.01
	Trumom Private Limited	0.08	-
8 Managerial remuneration*	Mr. Saurabh Goyal	8.22	6.90
9 Salary to KMPs and their relatives*	Mrs. Payal Goyal	5.92	3.00
	Ms. Smita Goyal	0.44	3.00
	Mr. Aryan Goyal	10.23	6.90
	Mr. Gurbikram Singh	0.19	-
	Ms. Sakshi Mittal	0.43	-
10 Sitting Fee	Mr. Vijay Kumar Sharma	0.30	-
	Mrs. Smita Goyal	0.02	-
	Ms. Ruchita Agarwal	0.03	-
	Ms. Charu Singh	0.03	-
	Mr. Rajinder Sharma	0.02	-
11 Commission and incentive	Nectar Biopharma Private Limited	29.53	-
12 Business support services	Nectar Biopharma Private Limited	139.61	-
13 Shares cancelled during the year	Nectar Biopharma Private Limited	(0.10)	-
14 Shares allotted during the year	Mr. Saurabh Goyal	35.00	-
	Mrs. Payal Goyal	35.00	-
*Break-up of compensation of key managerial personnel of the Company			
Short-term employee benefits		25.43	6.90
Post-employment benefits		1.49	0.11
Total compensation paid to key management personnel		26.92	7.01

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

D. Balances outstanding at year end

Nature of transaction	Name of related party	Asat 31 March 2021	Asat 31 March 2020	Asat 1 April 2019
1 Expenses recoverable	Trumom Private Limited	-	0.04	-
2 Payable to employees	Mr. Saurabh Goyal	0.42	0.25	-
	Mr. Aryan Goyal	4.83	0.45	-
	Ms. Payal Goyal	-	0.13	-
	Mr. Smita Goyal	-	0.23	-
	Mr. Gurbikram Singh	0.03	-	-
	Ms. Sakshi Mittal	0.05	-	-
3 Borrowings	Ms. Payal Goyal	3.90	27.68	-
	Mr. Saurabh Goyal	3.90	17.21	-
	Mrs. Raman Goyal	-	43.18	-
	Mrs. Smita Goyal	-	2.68	-
	Trumom Private Limited	1.46	-	-
	Nectar Biopharma Private Limited	0.73	0.75	-
4 Interest accrued but not due	Ms. Payal Goyal	-	0.16	-
	Mr. Saurabh Goyal	-	0.12	-
	Mrs. Raman Goyal	-	0.25	-
	Mrs. Smita Goyal	-	0.01	-
	Trumom Private Limited	0.08	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

D. Balances outstanding at year end (continuing)

Nature of transaction	Name of related party	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
5 Trade payables	Nectar LifeSciences Limited	-	6.48	87.24
	Nectar Biopharma Private Limited	13.16**		
6 Trade receivables	Nectar LifeSciences Limited	-	10.12	5.16
	Trumom Private Limited	-	-	0.44
7 Recoverable on account of arrangement	Nectar Biopharma Private Limited	-	19.88	-
8 Payable on account of arrangement	Nectar Biopharma Private Limited	-	-	52.42
9 Contract liability	Trumom Private Limited	-	1.46	-

** During the year ended 31 March 2021, purchase of stock-in-trade from Nectar Life Sciences Limited of INR 234.77 million (31 March 2020: INR Nil and 1 April 2019: INR Nil) were made through the Company's agent Nectar Biopharma Private Limited and revenue from operation (net of return) from Nectar Life Sciences Limited of INR (5.67) (31 March 2020: INR Nil and 01 April 2019: INR Nil) were made through the Company's Agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 31 March 2021 includes INR Nil (31 March 2020: INR Nil and 1 April 2019: INR Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

E. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances at the year-end are unsecured and interest free except borrowings and settlement occurs in cash.

F. Dissociation with Mr. Sanjiv Goyal, Mrs. Raman Goyal and Nectar Life Sciences Limited

Pursuant to a family settlement, Mr. Saurabh Goyal (Promoter and Managing Director), Mr. Aryan Goyal (Chief Executive Officer) and their families disassociated from their parents Mr. Sanjiv Goyal and Mrs. Raman Goyal. The family settlement was effected by way of family partition deed dated 10 September 2020 entered into Mr. Saurabh Goyal, Aryan Goyal from their parents Sanjiv Goyal and Mrs. Raman Goyal in relation to the separation of assets and businesses. Sanjiv Goyal is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited.

Pursuant to the family settlement, Mr. Saurabh Goyal and Mr. Aryan Goyal, by way of their letters dated 1 October 2020 and 30 September 2020 respectively addressed to the Board of Directors of Nectar Lifesciences Limited, SEBI, BSE and National Stock Exchange, have intimated that their shareholdings in Nectar Lifesciences Limited have been transferred to Mr. Sanjiv Goyal and his HUF by way of gift and expressed that they intended to be ceased from being classified as members of the promoter group of Nectar Lifesciences Limited. The Company has been legally advised that transactions of the Company with Mr. Sanjiv Goyal or Mrs. Raman Goyal or entities controlled by them are required to be considered for the purposes of disclosures under Ind AS 24 and also under provision of the Companies Act, 2013 and SEBI LODR, as applicable.

G. Appointment of Nectar Biopharma Private Limited as an agent

On 9 May 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from 23 May 2020 (i.e. the effective date of the scheme of arrangement) until such time that the Company is able to fulfill all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be at arms length.

Accordingly, the Company has recognized revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

H. Search and Seizure

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from 13 December 2020 to 15 December 2020 at residences of the Company's Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal in the case of "Nectar Life Sciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal". During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. Also refer to note 33(F) above which explain in detail the dissociation arrangement entered between with Sanjiv Goyal, Raman Goyal and Nectar Life Sciences Limited.

Further, Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on 13 December 2020 at the residence of one of the Company's Director Rajinder Sharma in the case of Nectar Life Sciences Limited and Avenis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set.

As on the date of approval of these financial statements, none of the Company's promoters, members of promoter group or directors have received further communication and / or notice from the income tax authorities in relation to the abovementioned search and seizure proceedings. The management believes that the transactions of the Company are fully compliant with the relevant provisions of the Income Tax Act, 1961 and hence, no provision is required for any tax liability.

Note 34 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the consolidated Financial Statements based on information available with the Group as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year			
- Principal	5.06	-	-
- Interest	0.03	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during the each year	-	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the each year) but without adding the interest specified under the MSMED act 2006.	0.06	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.03	-	-
(v) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 35- Financial instrument: fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Group, other than those with carrying amounts that are reasonable approximations of fair values:

	Note	Level of hierarchy	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
			Amortised Cost	Fairvalue through OCI	Amortised Cost	Fairvalue through OCI	Amortised Cost	Fairvalue through OCI
Financial assets								
Investments	a	3	-	-	-	-	(0.00)	0.00
Loans	b		6.13	-	0.25	-	0.02	-
Trade receivables	c		36.95	-	128.97	-	88.56	-
Cash and cash equivalents	c		172.42	-	0.74	-	1.11	-
Other bank balances	c		1,094.50	-	-	-	-	-
Other financial assets	c		16.18	-	19.88	-	-	-
			1,326.18	-	149.84	-	89.69	0.00
Financial liabilities								
Borrowings	b		35.55	-	94.20	-	2.60	-
Trade payables	c		87.44	-	58.31	-	97.60	-
Other financial liabilities	c		3.47	-	4.16	-	48.19	-
			126.46	-	156.67	-	148.39	-

Notes:

- The carrying value of investment in Nureca Electronics Private Limited was INR 2,000/-. Fair value of this investment is not considered to be material and Nureca Electronics Limited ceased to exist on 03 December 2019.
- Fair valuation of the loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate (EIR) method. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the years presented.

Note 36- Financial risk management

Risk management framework

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, borrowings and investments measured at fair value through profit and loss account. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Group does not expose to the risk of changes in market interest rates as Group's long and short term debt obligations are of fixed interest rate.

(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency). The Group undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

Exposure to currency risk

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

	Currency	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade payables	USD	0.35	25.50	0.22	16.42	-	-

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

Sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2021				
USD 5% movement	1.28	(1.28)	0.95	(0.95)
As at 31 March 2020				
USD 5% movement	0.82	(0.82)	0.61	(0.61)
As at 1 April 2019				
USD 5% movement	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Trade receivables

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The ageing of trade receivables at the reporting date was:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Not due	36.72	77.57	81.04
Less than 90 days	-	40.68	6.91
90-180 days	-	8.85	0.21
More than 180 days	0.23	1.87	0.41
Total	36.95	128.97	88.56

(b) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(c) Security deposits

The Group furnished security deposits to its lessor for obtaining the premises on lease and margin money deposits to banks. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Group expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

(iii) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2021	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	9.98	-	-	10.92	-	10.92
Other financial liabilities (excluding lease liabilities)	0.17	-	0.17	-	-	0.17
Trade payables	87.44	-	87.44	-	-	87.44
Lease liabilities	28.87	-	5.93	10.02	22.98	38.93
Total	126.46	-	93.54	20.94	22.98	137.45

As at 31 March 2020	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	91.49	-	-	96.81	-	96.81
Other financial liabilities (excluding lease liabilities)	0.57	-	0.57	-	-	0.57
Trade payables	58.31	-	58.31	-	-	58.31
Lease liabilities	6.30	-	3.59	3.27	-	6.86
Total	156.67	-	62.47	100.07	-	162.54

As at 1 April 2019	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	-	-	-	-	-	-
Other financial liabilities (excluding lease liabilities)	46.49	-	46.49	-	-	46.49
Trade payables	97.60	-	97.60	-	-	97.60
Lease liabilities	4.30	-	1.70	3.18	-	4.88
Total	148.38	-	145.79	3.18	-	148.97

(iv) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(v) Risk related to COVID-19

The Group has considered possible effect that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, inventories, receivables, other current assets and on its assessment relating to going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the Group, including the Group's performance from July 2020 onwards which has been better than expectations considering the increase in demand in the home healthcare and wellness products. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered with no consequential impacts on its assessment related to going concern. The impact of Covid - 19 on the Group's financial statement may differ from that estimated as at the date of approval of these financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

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Note 37- Capital riskmanagement

(a) Risk Management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade payables and borrowings, less cash and cash equivalents.

Particulars	Asat 31 March 2021	Asat 31 March 2020	Asat 1 April 2019
Trade payables (Refer note 17)	87.44	58.31	97.60
Borrowings (Refer note 15)	38.85	97.79	4.30
Less: cash and cash equivalents (Refer note 9)	172.42	0.74	1.11
Net debt	(46.13)	155.36	100.79
Equity share capital (Refer note 13)	100.00	0.10	0.10
Other equity (Refer note 14)	1,530.98	149.24	85.33
Total capital	1,630.98	149.34	85.43
Capital and net debt	1,584.85	304.70	186.22
Gearing ratio	-2.91%	50.99%	54.13%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

(b) Dividend not recognised at the end of the year

Subsequent to the year end, the Board of Directors have recommended payment of final dividend of INR 2 per share (20 percent of the face value of the equity share of Rs. 10 each) for the financial year ended 31 March 2021. The proposed dividend is subject to the approval of shareholders in the ensuing general meeting.

Note 38 - Business combination

The Company had taken the effect of demerger as per the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, which has been sanctioned by the Honorable National Company Law Tribunal, Mumbai vide its order dated 29 April 2020.

The Scheme had become effective on 23 May 2020 ("Effective date") on filing of certified copy of the order with the Registrar of Companies. The appointed date from which the Scheme was operative was 1 April 2019 (the "appointed date") and the effect of the same had been considered in the IGAAP financial statements for the year ended 31 March 2020.

Pursuant to the scheme of demerger, certain portion of business activities of the demerged company as defined in Scheme along with all related assets, liabilities, employees, rights, powers, etc. including its investment in the subsidiary Nureca Inc ('Specified Undertaking') was transferred by Nectar Biopharma Private Limited from the appointed date of 1 April 2019. The said demerger has been accounted as a common control business combination in line with the principles prescribed under Ind AS 103 "Business Combinations". Accordingly, the Scheme has been given effect by combining all assets and liabilities of the specified undertaking of the demerged company with the assets and liabilities of the resulting company at their carrying amounts and preserving the identity of the reserves in the same form as they appeared in the financial statements of the demerged company.

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the resulting company shall automatically stand increased, without any further act, instrument or deed on the part of the resulting company, such that upon the coming into effect of this Scheme, the authorized share capital of the resulting company shall be INR 10,000,000/- (Rupees ten millions only) divided into 1,000,000 (one million) equity shares of INR 10 (Rupee Ten Only). Consequently, Clause V of the Memorandum of Association of the resulting company shall, upon the coming into effect of this Scheme and without any further act or deed, be and stand altered, modified and substituted pursuant to Sections 13, 61 and 230 to 232 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

"V. The Authorized Share Capital of the Company is INR. 10,000,000 (Rupees ten millions only) divided into 1,000,000 (one million) Equity Shares of INR. 10/ (Rupees ten millions only) each.

"Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the certain portion of business activities of the demerged company in the resulting company in terms of Part II of the Scheme, the resulting company shall, without any further act or deed, issue and allot to the equity shareholders of the demerged company, whose name is recorded in the register of members or records of the depositories as members of the demerged company, on the Record Date, 1 (one) equity share of INR 10/- (Rupee ten only) each of the resulting company credited as fully paid-up for every 1(one) equity share of INR 10/- (Rupee ten only) each held by such shareholder of demerged company ("New Equity Shares").

It is clarified that no cash consideration shall be paid by the resulting company to the demerged company or its shareholders.

Book value of assets and liabilities related to the demerged undertaking of the demerged company transferred are as under:

Particulars	Asat 1 April 2019
ASSETS	
Property, plant and equipment	0.62
NonCurrent Investments	0.46
Loans (refer note (a) below)	0.35
Inventories	127.14
Trade Receivables	98.54
Cash and cash equivalent (refer note (a) below)	7.53
Deferred tax asset (net)	0.07
Other current assets (refer note (a) below)	2.77
Other current assets	2.78
Total assets	240.26
LIABILITIES	
Trade Payables	96.76
Borrowings (refer note (a) below)	37.86
Other current liabilities (refer note (a) below)	2.15
Other current liabilities	0.91
Current tax liability (refer note (a) below)	17.06
Provisions	0.32
Total liabilities	155.06
Share capital to be cancelled on account of arrangement	(0.10)
Retained earnings taken over	98.26
Net (liabilities) taken over (shown under capital reserve in other equity)	(12.96)

Note (a) : In accordance with the terms of the scheme, the demerged company has retained certain assets and liabilities in its books for the sake of convenience and towards facilitating a single point of contact for realization of assets and discharge of liabilities to third persons. Accordingly, the demerged company has recognized a net receivable / payable from/to the resulting company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 39- Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial

As at 31 March 2021

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other		Share in total	
	As% of consolidated net assets	Amount	As% of consolidated profit	Amount	As% of consolidated other comprehensive income	Amount	As% of consolidated total comprehensive income	Amount
Parent								
Nureca Limited	100.13%	1,633.07	100.44%	465.77	110.85%	0.12	100.44%	465.89
Subsidiary								
Nureca Inc, U.S.A.	0.00%	(0.00)	-0.02%	(0.11)	9.24%	0.01	-0.02%	(0.10)
Nureca Healthcare Private Limited, India (w.e.f.11 August 2020)	0.00%	0.06	-0.01%	(0.04)	0.00%	-	-0.01%	(0.04)
Nureca Technologies Private Limited, India (w.e.f.13 July 2020)	0.37%	5.98	0.35%	(1.62)	0.00%	-	-0.35%	(1.62)
Elimination	-0.50%	(8.12)	-0.06%	(0.26)	-20.09%	(0.02)	-0.06%	(0.28)
Total		1630.98		463.74		0.11		463.85

As at 31 March 2020

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other		Share in total	
	As% of consolidated net assets	Amount	As% of consolidated profit	Amount	As% of consolidated other comprehensive income	Amount	As% of consolidated total comprehensive income	Amount
Parent								
Nureca Limited	97.81%	146.07	101.29%	64.77	101.86%	(0.04)	101.29%	64.73
Subsidiary								
Nureca Inc, U.S.A.	0.08%	0.11	-0.22%	(0.14)	-29.90%	0.01	-0.20%	(0.13)
Elimination	2.12%	3.16	-1.07%	(0.68)	28.04%	(0.01)	-1.07%	(0.69)
Total		149.34		63.95		(0.04)		63.91

As at 01 April 2019

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other		Share in total	
	As% of consolidated net assets	Amount	As% of consolidated profit	Amount	As% of consolidated other comprehensive income	Amount	As% of consolidated total comprehensive income	Amount
Parent								
Nureca Limited	88.21%	75.36	93.27%	58.04	100.00%	(0.01)	93.26%	58.03
Subsidiary								
Nureca Inc, U.S.A.	0.28%	0.24	-0.16%	(0.10)	95.17%	(0.01)	-0.17%	(0.11)
Elimination	11.50%	9.83	7.00%	4.29	-95.17%	0.01	6.91%	4.30
Total		85.43		62.23		(0.01)		62.22

Note 40- Share issue expenses

During the year the company has made Initial Public Offering of 2,500,175 equity shares of face value of Rs. 10 each for cash consisting 2,496, 675 equity shares to public other than employees at a price of Rs. 400 per equity share (including a share premium of Rs. 390 per equity share) and 3,500 equity shares to the employees at a price of Rs. 380 per equity share (including a share premium of Rs. 370 per equity shares) aggregating to Rs. 1000.00 million.

The proceeds from IPO were Rs. 967.79 million. (Gross of issue related expenses Rs. 1000.00 million).

The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID NURECA and BSE Limited (BSE) via ID 543264 on 25 February 2021.

Details of utilization of net IPO proceeds are as follows:

Objectives as per Prospectus	Planned proceeds as per Prospectus	Actual proceeds	Utilization upto 31 March 2021	Unutilized amount as on 31 March 2021
Funding incremental working capital requirements	750.00	750.00	190.53	559.47
General Corporate purpose	210.79	217.79	-	217.79
Total proceeds	960.79	967.79	190.53	777.26

The Company has incurred Rs. 32.21 millions (excluding GST) of IPO expenses. These expenses have been adjusted towards the securities premium account. IPO proceeds which were unutilised as at 31 March 2021 were temporarily invested in deposits with bank account.

The difference in planned proceeds as per prospectus and actual proceeds is due to saving in the planned IPO expenses amounting to Rs. 7.0 million.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

Note 41 - First time adoption (Continue)

2. Optional exemptions:

a) Deemed cost for property, plant and equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 1 April 2019. For the purpose of consolidated financial statements for the year ended 31 March 2021, 31 March 2020 and 1 April 2019 the Group has provided the depreciation based on the estimated useful life of respective years.

b) Leases

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (1 April 2019) when applying Ind AS 116 initially:

i) lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

ii) a right-of-use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Statement of assets and liabilities immediately before the date of initial application.

The Group also applied the available practical expedients wherein it:

a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

II. Reconciliation of total equity between previous GAAP and Ind AS

Particulars	Notes	As at 31 March 2020	As at 1 April 2019
Total equity reported earlier under previous GAAP		149.55	85.44
(i) Ind AS adjustments			
- Leases	a	(0.24)	-
- Financial assets measured at amortised cost	b	(0.00)	-
- Right to return	c	(0.03)	-
- Tax adjustments	f	0.06	-
Total equity as per Ind AS		149.34	85.44

III. Reconciliation of total comprehensive income between previous GAAP and Ind AS

Particulars		For the year ended 31 March 2020
Profit for the year reported earlier under previous GAAP		64.10
(i) Ind AS adjustments		
- Leases	a	(0.24)
- Financial assets measured at amortised cost	b	(0.00)
- Right to return	c	(0.03)
- Remeasurements of the defined benefit plans reclassified to OCI	d	0.06
- Items reclassified to OCI	e	(0.01)
- Tax adjustments	f	0.07
Profit for the year reported earlier under Ind AS		63.95
Other comprehensive income (net of tax)		(0.04)
Total comprehensive income as reported under Ind AS		63.91

IV. Impact of Ind AS adoption on the Statement of Cash Flows

There were no material differences between the consolidated financial statements and cash flow statement under previous GAAP (as adjusted for the impact of the arrangement).

V. Notes to first time adoption

a Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognized a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

The impact arising from the change is as follows:	Increase/(decrease)
Statement of Profit and Loss	For the year ended 31 March 2020
Rent expense	3.36
Interest expense on financial liabilities measured at amortised cost on lease liabilities	(0.65)
Depreciation expense	(2.95)
Adjustment before income tax-Profit/(loss)	(0.24)

	Increase/(decrease)
Balance Sheet	As at 31 March 2020
Assets: Right-of-use assets	4.30
Liabilities: Lease liabilities (Borrowings)	6.30

b Financial assets measured at amortised cost

Under previous GAAP, the security deposits paid for lease rent are shown at the transaction value. Whereas under Ind AS, the same are initially discounted and subsequently recorded at amortized cost at the end of every financial reporting year. Accordingly, the difference between the transaction and discounted value of the security deposits paid is recognized as right-of-use assets and is amortized over the period of the lease term. Further, interest is accreted on the present value of the security deposits paid for lease rent.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021

(Amount in INR million, unless otherwise stated)

The impact arising from the change is as follows:

	Increase/(decrease)
Statement of Profit and Loss	For the year ended 31 March 2020
Interest income from financial assets at amortized cost	0.02
Depreciation expense	(0.02)
Adjustment before income tax-Profit/(loss)	(0.00)

Increase/ (decrease)

Balance Sheet	As at 31 March 2020	As at 1 April 2019
Asset: Loans	(0.05)	-
Asset: Right of use asset	0.05	-

c Right to return

Under Ind AS 115, a refund liability for the expected refunds to customers is recognized as adjustment to revenue as refund liability in other current liabilities. At the same time, the Group has a right to recover the product from the customer where the customer exercises his right to return and recognizes an asset and a corresponding adjustment to changes in inventories. The asset is measured in reference to the former carrying amount of the product. The costs to recover the products are not material because the customer usually returns the product in a saleable condition.

d Remeasurements of the defined benefit plans reclassified to OCI

Under Previous GAAP, the Company recognized remeasurement of defined benefit plans under Statement of Profit and Loss. Under Ind AS, remeasurement of defined benefit plans are recognized immediately in the consolidated financial statements with a corresponding debit or credit to retained earnings through OCI.

e Items reclassified to OCI

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes change in fair value of investments which are classified at fair value through OCI. Remeasurements of defined benefit obligation and exchange differences on translation of foreign operations. The concept of other comprehensive income did not exist under previous GAAP.

f Deferred tax assets (net)

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments and restatement adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

The impact arising from the change is as follows:

	Increase/(decrease)
Statement of Profit and Loss	For the year ended 31 March 2020
Tax adjustment on Ind AS adjustments	
Deferred tax impact on lease	0.06
Deferred tax impact on financial assets measured at amortised cost	0.00
Adjustment before income tax-Profit/(loss)	0.06
Tax adjustment on restatement adjustments	
Deferred tax impact on preliminary expenses	(0.01)
Adjustment before income tax-Profit/(loss)	(0.01)

Balance Sheet	As at 31 March 2020	As at 1 April 2019
Assets: Deferred tax assets (net)		
Deferred tax impact on lease adjustment	0.06	-
Deferred tax impact on financial assets measured at amortised cost	0.00	-

VI. Regrouping/reclassification

Appropriate adjustments have been made in the consolidated Ind AS Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements.

These amendments does not have any impact on the consolidated Ind AS financial statements.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of Nureca Limited

Gaurav Mahajan
Partner

Membership No. : 507857

Place: Chandigarh
Date: 16 June 2021

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 16 June 2021

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 16 June 2021

Rajinder Sharma
Director
DIN : 00317133
Place: Chandigarh
Date: 16 June 2021

Gurvikram Singh
Company Secretary
Membership No. 60255
Place: Chandigarh
Date: 16 June 2021

Aryan Goyal
Chief Executive Officer
Place: U.S.A.
Date: 16 June 2021

AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR)

Name of the subsidiary	Nureca Technologies Private Limited		Nureca Healthcare Private Limited		Nureca Inc.	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	As on March 31st		As on March 31st		As on March 31st	
	2021	2020	2021	2020	2021	2020
	INR	INR	INR	INR	USD Dollar and Exchange rate is INR 73.14 for 1 USD	
Share Capital	07.60	-	0.10	-	0.46	0.46
Reserve & Surplus	(1.61)	-	(0.04)	-	(0.46)	(0.35)
Total Assets	07.07	-	0.08	-	0.84	0.93
Total Liabilities	01.08	-	0.02	-	0.85	0.81
Details of Investments	-	-	-	-	-	-
Turnover	01.18	-	-	-	0.04	2.00
Profit/(Loss) before taxation	(01.62)	-	(0.04)	-	(0.12)	(0.14)
Provision for taxation	-	-	-	-	-	-
(1) Current tax	-	-	-	-	-	-
(2) Deferred tax	(0.01)	-	-	-	-	-
Profit/(Loss) after taxation	(01.61)	-	(0.04)	-	(0.12)	(0.14)
% of share holding	99.99	-	99.99	-	100.00	100.00

Notes: The following information shall be furnished at the end of the statement:

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

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	NA	NA	NA
1. Latest audited Balance Sheet Date	NA	NA	NA
2. Shares of Associate/Joint Ventures held by the company on the year end	NA	NA	NA
No.	NA	NA	NA
Amount of Investment in Associates/Joint Venture	NA	NA	NA
Extend of Holding %	NA	NA	NA
Name of Associates/Joint Ventures	-	-	-
3. Description of how there is significant influence	NA	NA	NA
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	NA	NA	NA
6. Profit / Loss for the year	NA	NA	NA
i. Considered in Consolidation	NA	NA	NA
ii. Not Considered in Consolidation	NA	NA	NA

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Place: Chandigarh
Date: June 16, 2021

For and on behalf of the Board of Directors

(Saurabh Goyal)
Chairperson & Managing Director
DIN: 00136037

CORPORATE Information

Board of Directors:

Mr. Saurabh Goyal:
Mr. Vijay Kumar Sharma:
Mr. Santosh Kumar Srivastava*:
Dr. Vikram Chaudhery:
Mr. Nitin Ravindra Bidikar:
Dr. Shrikant Uttam Tamhane:
Mrs. Charu Singh:
Mrs. Ruchita Agarwal:
Mr. Rajinder Sharma#:

Chairman & Managing Director
Independent Director
Whole-time Director
Independent Director
Independent Director
Independent Director
Independent Director
Independent Director
Director

*Appointed with effect from June 16, 2021

#Resigned with effect from July 31, 2021

Chief Executive Officer

Mr. Aryan Goyal

Chief Financial Officer

Mrs Sakshi Mittal*
Mr. Nishant Garg#

*(Resigned with effect from June 15, 2021
#Appointed with effect from June 16, 2021)

Company Secretary & Compliance Officer

Mr. Gurvikram Singh

Auditors

B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Internal Auditors

MGSG & Associates
Chartered Accountants

Secretarial Auditors

A. Arora & Co.
Practising Company Secretaries
(Appointed with effect from June 16, 2021)

Registrar & Share Transfer Agent

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West) Mumbai Mumbai City MH 400083 IN

Registered Office

128 Gala Number Udyog Bhavan,
1st Floor Sonawala Lane, Goregaon E
Mumbai Mumbai City MH 400063 IN

Corporate Office

SCO 6-7-8 Sector-9D, Chandigarh- 160009

Audit Committee-

Ms. Charu Singh	Independent Director Chairperson
Ms. Ruchita Agarwal	Independent Director Member
Dr. Vikram Chaudhery	Independent Director Member
Mr. Saurabh Goyal	Executive Director Member

Nomination And Remuneration Committee-

Ms. Charu Singh	Independent Director Chairperson
Ms. Ruchita Agarwal	Independent Director Member
Mr. Rajinder Sharma	Non- Executive Director Member

Stakeholders Relationship Committee

Ms. Ruchita Agarwal	Independent Director Chairperson
Ms. Charu Singh	Independent Director Member
Mr. Saurabh Goyal	Executive Director Member

Corporate Social Responsibility Committee

Mr. Saurabh Goyal	Executive Director Chairperson
Ms. Charu Singh	Independent Director Member
Mr. Rajinder Sharma	Non- Executive Director Member

Management Committee

Mr. Saurabh Goyal	Executive Director Chairperson
Mr. Aryan Goyal	Member
Mr. Gurvikram Singh	Member





NUREÇA

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Goregaon E Mumbai City MH 400063 IN

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