

(Formerly known as, Sotac Pharmaceuticals Private Limited)

Registered Office :

Plot No. PF/21, Nr. Acme Pharma,
Opp. Teva Pharma, Sanand GIDC - II,
Sanand, Ahmedabad – 382110, Gujarat (INDIA)

CIN.: L24230GJ2015PLC085451

Date: August 29, 2024

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai-400051

Respected Sir/Ma'am,

Sub: Submission of Annual Report for the Financial Year 2023-24.

Ref: Sotac Pharmaceuticals Limited (SYMBOL/ISIN: SOTAC/INE002D01012)

This is to inform you that the 9th Annual General Meeting (“AGM”) of the Company will be held on Friday, September 27, 2024 at 11:30 A.M (IST) through Video Conferencing/ Other Audio-Visual Means in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we are submitting herewith the Annual Report of the Company for the Financial Year 2023-24 which is being sent through electronic mode to the Members.

The Annual Report is also uploaded on the Company’s website and can be accessed at <https://sotacpharma.com/annual-reports/>.

You are requested to take the same on your records.

For, Sotac Pharmaceuticals Limited

Sharadkumar Dashrathbhai Patel
Chairman and Managing Director
DIN: 07252252

Place: Ahmedabad

Encl: A/a-





ANNUAL REPORT

2023-24

SOTAC PHARMACEUTICALS LIMITED
CIN: L24230GJ2015PLC085451

Registered office: Plot No. PF-21, Nr. Acme
Pharma,

Opp. Teva Pharma, Sanand GIDC-II,
Sanand, Ahmedabad-382110.

Telephone: +91 9913562852

Website: www.sotacpharma.com

Email: compliance@sotacpharma.com

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CORPORATE INFORMATION

BOARD OF DIRECTORS:				KEY MANAGERIAL PERSONNEL:	
NAME	DIN	DESIGNATION		NAME	DESIGNATION
Mr. Sharadkumar Dashrathbhai Patel	07252252	Chairman & Managing Director		Ms. Niyati Dipesh Parikh*	Company Secretary and Compliance Officer
Mr. Dineshkumar Babulal Gelot	07252132	Whole time Director		Mr. Brijeshkumar Ranchhodbhai Patel	Chief Financial Officer
Mr. Vishalkumar Patel	07252191	Executive Director		<i>* w.e.f. August 11, 2023</i>	
Mr. Chetankumar Bachubhai Patel	07252116	Executive Director		REGISTERED OFFICE & CORPORATE OFFICE	
Ms. Nidhiben Patel ^	09820927	Non-Executive Independent Director		Plot No. PF-21, Nr. Acme Pharma, Opp. Teva Pharm Sanand GIDC-II, Sanand Ahmedabad-382110	
Ms. Hetal Umangbhai Shah ^	09829110	Non-Executive Independent Director		Tel No. +91-9913562852	
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director		Email: compliance@sotacpharma.com ;	
Mr. Ketankumar Arvindbhai Modi *	Applied	Additional Executive Director (Non-Independent)		Web: www.sotacpharma.com	
Mr. Bhavinkumar Prafulbhai Joshi *	10236029	Additional Executive Director (Non-Independent)			
<i>^Upto August 08, 2024; * w.e.f. August 28, 2024</i>					
STATUTORY AUDITOR			SECRETARIAL AUDITOR		
M/s. Keyur Shah & Co. Chartered Accountants (Firm Registration No. 141173W) 303, Shitiratna, B/s Radisson Blu, Nr Panchvati Circle, Ambawadi, Ahmedabad-380006. Tel. No.: +91 99984 84564 Email : ca.keyurshah2015@gmail.com			SCS and CO. LLP Company Secretaries (Firm Registration No.: - L2020GJ008700) Office No. B- 1310, Thirteenth floor, "Shilp Corporate Park" Rajpath Rangoli Road, Thaltej, Ahmedabad, 380054 Tel. No.: 079-40051702 Email : scsandcollp@gmail.com		
REGISTRAR & SHARE TRANSFER AGENT					
KFIN Technologies Limited Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India.			E-mail: einward.ris@kfintech.com Tel no.: +91 40 6716 2222		
BANKERS TO THE COMPANY					
Axis Bank Limited					

COMMITTEES OF BOARD

AUDIT COMMITTEE:

NAME	DIN	CATEGORY	DESIGNATION
Ms. Hetal Umangbhai Shah *	09829110	Non-Executive Independent Director	Chairperson
Ms. Heena Viral Patel ^	0982922	Non-Executive Independent Director	Chairperson
Mr. Bhavinkumar Prafulbhai Joshi ^	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi ^	Applied for DIN	Additional (Non-Executive Independent) Director	Member
Mr. Sharadkumar Dashrathbhai Patel	07252252	Chairman and Managing Director	Member

*Upto August 08, 2024; ^w.e.f. August 28, 2024

STAKEHOLDER'S RELATIONSHIP COMMITTEE:

NAME	DIN	CATEGORY	DESIGNATION
Ms. Hetal Umangbhai Shah *	09829110	Non-Executive Independent Director	Chairperson
Ms. Heena Viral Patel ^	0982922	Non-Executive Independent Director	Chairperson
Ms. Nidhiben Patel *	09820927	Non-Executive Independent Director	Member
Mr. Bhavinkumar Prafulbhai Joshi ^	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi ^	Applied for DIN	Additional (Non-Executive Independent) Director	Member

*Upto August 08, 2024; ^w.e.f. August 28, 2024

NOMINATION AND REMUNERATION COMMITTEE:

NAME	DIN	CATEGORY	DESIGNATION
Ms. Hetal Umangbhai Shah *	09829110	Non-Executive Independent Director	Chairperson
Ms. Heena Viral Patel ^	09829226	Non-Executive Independent Director	Chairperson
Ms. Nidhiben Patel *	09820927	Non-Executive Independent Director	Member
Mr. Bhavinkumar Prafulbhai Joshi ^	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi ^	Applied for DIN	Additional (Non-Executive Independent) Director	Member

*Upto August 08, 2024; ^w.e.f. August 28, 2024

NOTICE OF 9TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Ninth (9th) Annual General Meeting (AGM) of the Members of Sotac Pharmaceuticals Limited (“the Company”) will be held on Friday, September 27, 2024 at 11:30 A.M. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESSES:

1. Adoption of Financial Statements:

To receive, consider and adopt;

- (a) The Audited Standalone Financial Statement of the Company for the Financial Year ended on March 31, 2024 and the report of the Board of Directors and Auditors thereon; and
- (b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended on March 31, 2024 and the report of Auditors thereon.

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**;

- (a) “**RESOLVED THAT** the Audited Standalone financial statement of the Company for the financial year ended on March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”
- (b) “**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended on March 31, 2024 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Chetankumar Bachubhai Patel (DIN: 07252116), who retires by rotation and being eligible, offers himself for re-appointment:

To appoint Mr. Chetankumar Bachubhai Patel (DIN: 07252116), Executive Director, who retires by rotation and being eligible, offers himself for re-appointment;

Explanation: Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Chetankumar Bachubhai Patel (DIN: 07252116), Executive Director who has been on the Board of the Company since December 18, 2015 and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

Therefore, shareholders are requested to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the shareholders of the Company be, and is hereby accorded to the reappointment of Mr. Chetankumar Bachubhai Patel (DIN: 07252116), Executive director as such, to the extent that he is required to retire by rotation.”

SPECIAL BUSINESSES:

3. To ratify the remuneration payable to M/s. Suthar Haresh & Associates, Cost Accountants (FRN.: 002124) Cost Auditor of the Company for the Financial Year ended on March 31, 2025:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and any other applicable provision(s), if any, of the Companies Act, 2013, read with the Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. Suthar Haresh & Associates, Cost Accountants (FRN.: 002124), Ahmedabad, appointed by the Board of Directors of the Company in their meeting held on August 28, 2024 as a Cost Auditor of the Company, based on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ended on March 31, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company including its committee of Directors thereof, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To approve the appointment of Mr. Ketankumar Arvindbhai Modi as a Non-Executive Independent Director of the Company for a period of 5 (five) years:

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under read with Schedule IV of the Act, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and on the approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Ketankumar Arvindbhai Modi, who was appointed as an Additional Director in the capacity of an Non-Executive Independent Director w.e.f. August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later, by the Board of Directors of the Company, who in terms of Section 161 of the Companies Act, 2013 holds office till ensuing General Meeting, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director on the Board of Directors of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five years till August 27, 2029 and that shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle and question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary order, proper or expedient for the purpose of giving effect to this resolution.”

5. To approve the appointment of Mr. Bhavinkumar Prafulbhai Joshi (DIN: 10236029) as a Non-Executive Independent Director of the Company for a period of 5 (five) years:

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under read with Schedule IV of the Act, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and on the approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Bhavinkumar Prafulbhai Joshi (DIN: 10236029), who was appointed as an Additional Director in the capacity of an Non-Executive Independent Director w.e.f. August 28, 2024 by the Board of Directors of the Company, who in terms of Section 161 of the Companies Act, 2013 holds office till ensuing General Meeting, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director on the Board of Directors of the Company, be and is hereby appointed as an Non-Executive Independent Director of the Company for a period of five years till August 27, 2029 and that shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle and question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary order, proper or expedient for the purpose of giving effect to this resolution.”

6. Approval of the Related Party Transactions with Sotac Healthcare Private Limited (“Subsidiary company”):

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Subsidiary Company, Associate company and group companies, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods, Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides, on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 25 Crore with Sotac Healthcare Private Limited (“Subsidiary company”) for the Financial Year 2024-25 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

Details of Related Party Transactions/ Arrangements/ Contracts per Financial Year:

Sr. No.	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value of Transaction for Financial Year 2024-25
1	Sotac Healthcare Private Limited	Subsidiary Company	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides.	Rs. 25 Crore for Purchase/Sales as the Companies mutually decides.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or to authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

7. Approval of the Related Party Transactions with Sotac Lifesciences Private Limited (“Subsidiary company”):

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Subsidiary Company, Associate company and group companies, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods, Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides, on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 25 Crore with Sotac Lifesciences Private Limited (“Subsidiary company”) for the Financial Year 2024-25 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

Details of Related Party Transactions/ Arrangements/ Contracts per Financial Year:

Sr. No.	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value of Transaction for Financial Year 2024-25
1	Sotac Lifesciences Private Limited	Subsidiary Company	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods, Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides.	Rs. 25 Crore for Purchase/Sales as the Companies mutually decides

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

8. Approval of the Related Party Transactions with Sotac Research Private Limited (“Wholly owned Subsidiary Company”):

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Subsidiary Company, Associate company and group companies, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods, Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides, on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 25 Crore with Sotac Research Private Limited (“Wholly owned Subsidiary Company”) for the Financial Year 2024-25 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.”

Details of Related Party Transactions/ Arrangements/ Contracts per Financial Year:

Sr. No.	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value of Transaction for Financial Year 2024-25
1	Sotac Research Private Limited	Wholly owned Subsidiary Company	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods, Sale of Raw Material and Sale of Products and for any other purchase/sale transactions as the companies mutually decides.	Rs. 25 Crore for Purchase/Sales as the Companies mutually decides.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

Registered office:

Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110

For and on behalf of Board of Directors
Sotac Pharmaceuticals Limited
CIN: L24230GJ2015PLC085451

Place: Ahmedabad
Date: August 28, 2024

Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

IMPORTANT NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 and latest being 09/2023 dated September 25, 2023 (“MCA Circulars”) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/ HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the AGM of the Company is being held through VC on Friday, September 27, 2024 at 11:30 A.M. IST. The deemed venue of the proceedings of the 9th AGM shall be the Registered Office of the Company at Plot No. PF-21, Nr. Acme Pharma, Opp. Teva Pharma Sanand GIDC-II, Sanand Ahmedabad-382110. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 15 and available at the Company’s website i.e. <https://sotacpharma.com>.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
3. In view of the ‘Green Initiatives in Corporate Governance’ introduced by MCA and in terms of the provisions of the Act, members who are holding shares of the Company in physical mode, are required to register their email addresses, so as to enable the Company to send all notices/reports/ documents/intimations and other correspondences, etc., through emails in the electronic mode instead of receiving physical copies of the same. Members holding shares in dematerialized form, who have not registered their email addresses with Depository Participant(s), are requested to register/ update their email addresses with their Depository Participant(s).
4. Electronic dispatch of Notice and Annual Report in accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the financial statements (including Board’s Report, Auditors’ Report or other documents required to be attached therewith) for the Financial Year ended 31st March 2024 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ KFIN Technologies Limited or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.
5. The Notice has also been uploaded on the website of the Company at www.sotacpharma.com & the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and is also made available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
7. The facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial

Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto;
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the MCA Circulars & SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
12. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 27, 2024. Members seeking to inspect such documents can send an email to compliance@sotacpharma.com.
15. Process and manner for Members opting for voting through Electronic means:
 - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (“NSDL”), as the Authorised e-Voting agency for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by Members using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
 - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, September 20, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
 - iii. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, September 20, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
 - iv. The e-voting period commences on Tuesday, September 24, 2024 at 09:00 A.M. (IST) and ends on Thursday, September 26, 2024 at 05:00 P.M. (IST). During this period, members holding shares in dematerialised form, as on

cut-off date, i.e. as on Friday, September 20, 2024 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast.

- v. Once the vote on resolutions is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
 - vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Friday, September 20, 2024.
 - vii. The Board has appointed M/s. SCS and Co. LLP, Practicing Company Secretaries (M. No. 41942 and COP No. 23630), as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
- 16.** The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who 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 the e-voting system during the AGM.
- 17.** The Scrutinizer will submit their report to the Chairman of the Company ('the Chairman') or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and will also be displayed on the Company's website, www.sotacpharma.com.
- 18.** SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Tuesday, September 24, 2024 at 09:00 A.M. (IST) and ends on Thursday, September 26, 2024 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. on Friday, September 20, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 20, 2024.

How do I vote electronically using NSDL e-Voting system?


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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 Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="787 1432 1318 1738" style="text-align: center; border: 1px solid gray; padding: 10px; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

[Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:](#)

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

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial

- password?
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

- 1) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- 3) Now you are ready for e-Voting as the Voting page opens.
- 4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 5) Upon confirmation, the message “Vote cast successfully” will be displayed.
- 6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

- 1) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scsandcollp@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@sotacpharma.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@sotacpharma.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE 9TH AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the 9th AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@sotacpharma.com. The same will be replied by the company suitably.

6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and count the same, and count the votes casted during the AGM, and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer's decision on the validity of the votes shall be final.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://sotacpharma.com/> and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the Resolutions at the 7th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

CONTACT DETAILS:

Company	<p>Address: Plot No. PF-21, Nr. Acme Pharma, Opp. Teva Pharma Sanand GIDC-II, Sanand, Ahmedabad-382110. Tel No. +91 9913562852 Email: compliance@sotacpharma.com Web: www.sotacpharma.com</p>
Registrar and Transfer Agent	<p>Kfin Technologies Limited Selenium Tower-B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500032 E-mail: cinward.ris@kfintech.com Website: www.kfintech.com Tel no.:+91 40 6716 2222</p>
e-Voting Agency & VC / OAVM	<p>Email: evoting@nsdl.com NSDL help desk 1800-222-990</p>
Scrutinizer	<p>SCS and Co. LLP Practising Company Secretaries Email: scsandcollp@gmail.com;</p>

Registered office:

Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110

For and on behalf of Board of Directors
Sotac Pharmaceuticals Limited
CIN: L24230GJ2015PLC085451

Place: Ahmedabad
Date: August 28, 2024

Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act 2013 and Secretarial Standard II on General Meetings)

ITEM NO. 03

To approve Cost Auditor's Remuneration for the Financial Year 2024-25: Ordinary Resolution:

The Board of Directors at its meeting held on August 28, 2024, upon the recommendation of the Audit Committee, approved the appointment of M/s. Suthar Hareesh & Associates, Cost Accountants (Firm Registration No.: 002124), Ahmedabad, to conduct the audit of the Cost records of the Company for the Financial Year ending on March 31, 2025 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditors, is required to be ratified by the Members of the Company.

The Board recommends the resolution set out under Item No. 03 for the approval of the Members by way of passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, is, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

ITEM NO.: 04

Appointment of Mr. Ketankumar Arvindbhai Modi as a Non-Executive Independent Director of the company: Special Resolution:

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the 'Act'), the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ketankumar Arvindbhai Modi as an Additional Director in the capacity of a Non-Executive Independent Director w.e.f. August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later, at its meeting held on August 28, 2024, for a first term of 5 (five) consecutive years, subject to the approval of Members of the Company.

The Company has received a Notice under Section 160 of the Act from a Member in writing proposing the candidature of Mr. Ketankumar Arvindbhai Modi for appointment as a Non-Executive Independent Director of the Company. Mr. Ketankumar Arvindbhai Modi has given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Act.

In the opinion of the Board, Mr. Ketankumar Arvindbhai Modi fulfils the conditions specified in the Act, Rules made thereunder and Listing Regulations for appointment as an Independent Director and he is independent of management. The Board recommends his appointment as a Non-Executive Independent Director for five (5) consecutive years with effect from August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later.

Further, Mr. Ketankumar Arvindbhai Modi has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Ketankumar Arvindbhai Modi has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by SEBI or any such authority. Mr. Ketankumar Arvindbhai Modi is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mr. Ketankumar Arvindbhai Modi has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

A copy of the draft letter for the appointment of Mr. Ketankumar Arvindbhai Modi as a Non-Executive Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to Friday, September 27, 2024. The resolution seeks the approval of members

for the appointment of Mr. Ketankumar Arvindbhai Modi as a Non-Executive Independent Director of the Company for the period of Five (5) year from August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and He shall not be liable to retire by rotation.

The profile and specific areas of expertise of Mr. Ketankumar Arvindbhai Modi and other relevant information as required under SEBI LODR Regulations and SS-2 is mentioned hereunder.

Mr. Ketankumar Arvindbhai Modi is having Degree of Bachelors in Commerce and he is currently doing business of consultancy and provides accounting advisory services. He offers a wealth of knowledge in the areas of accounting and finance, having worked in the accounting and finance industry for more than 7 years. In addition to knowledge and experience, he provides an extensive set of skills.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, the approval of the Members is sought for the appointment of Mr. Ketankumar Arvindbhai Modi as a Non-Executive Independent Director of the Company, as a special resolution as set out above.

Relevant document in respect of the said item are available electronically for inspection by the Members from the date of Circulation of the Notice of the AGM. Members seeking to inspect such documents can send an email to compliance@sotacpharma.com.

Except Mr. Ketankumar Arvindbhai Modi, being appointee Director, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

The Board recommends the Special Resolution as set out at item no. 04 for approval by the Members.

ITEM NO.: 05

Appointment of Mr. Bhavinkumar Prafulbhai Joshi (DIN: 10236029) as a Non-Executive Independent Director of the company: Special Resolution:

Pursuant to the provisions of Section 161 of the Companies Act, 2013(the 'Act'), the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Bhavinkumar Prafulbhai Joshi (DIN: 10236029) as an Additional Director in the capacity of a Non-Executive Independent Director with effect from August 28, 2024, at its meeting held on August 28, 2024, for a first term of 5 (five) consecutive years, subject to the approval of Members of the Company.

The Company has received a Notice under Section 160 of the Act from a Member in writing proposing the candidature of Mr. Bhavinkumar Prafulbhai Joshi for appointment as a Non-Executive Independent Director of the Company. Mr. Bhavinkumar Prafulbhai Joshi has given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Act.

In the opinion of the Board, Mr. Bhavinkumar Prafulbhai Joshi fulfils the conditions specified in the Act, Rules made thereunder and Listing Regulations for appointment as an Independent Director and he is independent of management. The Board recommends his appointment as a Non-Executive Independent Director for five (5) consecutive years with effect from August 28, 2024.

Further, Mr. Bhavinkumar Prafulbhai Joshi has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Bhavinkumar Prafulbhai Joshi has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by SEBI or any such authority. Mr. Bhavinkumar Prafulbhai Joshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mr. Bhavinkumar Prafulbhai Joshi has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

A copy of the draft letter for the appointment of Mr. Bhavinkumar Prafulbhai Joshi as a Non-Executive Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to Friday, September 27, 2024. The resolution seeks the approval of members for the appointment of Mr. Bhavinkumar Prafulbhai Joshi as a Non-Executive Independent Director of the Company from August 28, 2024 to August 27, 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

The profile and specific areas of expertise of Mr. Bhavinkumar Prafulbhai Joshi and other relevant information as required under SEBI LODR Regulations and SS-2 is mentioned hereunder.

Mr. Bhavinkumar Prafulbhai Joshi is having Degree of Bachelors in Commerce and he is currently engaged in business of Construction Services. He has a wide range of skills and a great deal of expertise in the construction industry. He also offers a profusion amount of experience in the field of accounting and finance industry.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, the approval of the Members is sought for the appointment of Mr. Bhavinkumar Prafulbhai Joshi as a Non-Executive Independent Director of the Company, as a special resolution as set out above.

Relevant document in respect of the said item are available electronically for inspection by the Members from the date of Circulation of the Notice of the AGM. Members seeking to inspect such documents can send an email to compliance@sotacpharma.com.

Except Mr. Bhavinkumar Prafulbhai Joshi, being appointee Director, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

The Board recommends the Special Resolution as set out at item no. 05 for approval by the Members.

Item No. 06:

Approval of the Related Party Transactions with Sotac Healthcare Private Limited ("Subsidiary company"): Ordinary Resolution:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the turnover of the Company as per last audited financial statements of the Company.

Sotac Healthcare Private Limited is related party with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Sotac Healthcare Private Limited is likely to exceed the said threshold limit during the financial year 2024-25.

Accordingly transaction(s) entered with Sotac Healthcare Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence, approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Sotac Healthcare Private Limited in the financial year 2024-25.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date particulars of the transactions with Sotac Healthcare Private Limited are as follows:

Sr. No.	Particulars	Details
1.	Name of Related Parties	Sotac Healthcare Private Limited
2.	Name of the Director or KMP who is related	Mr. Sharadkumar Dashrathbhai Patel, Mr. Chetankumar Bachubhai Patel, Mr. Dineshkumar Babulal Gelot, and Mr. Vishalkumar Patel are Common Directors of both the company.
3.	Nature of Relationship	Sotac Healthcare Private Limited is Subsidiary company of Sotac Pharmaceuticals Limited and above mentioned related directors are common directors in both companies.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 25 Crores for FY 2024-25 with Sotac Healthcare Private Limited.
5.	Nature materials terms and particulars of the Contracts/arrangements/	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods Sale of Raw Material and Sale of Products and for any other purchase/sale transactions from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2024-25
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	NIL

Except Mr. Sharadkumar Dashrathbhai Patel, Mr. Chetankumar Bachubhai Patel, Mr. Dineshkumar Babulal Gelot, and Mr. Vishalkumar Patel and their relatives, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 06 of this Notice as Ordinary Resolution.

Item No. 07:

Approval of the Related Party Transactions with Sotac Lifesciences Private Limited ("Subsidiary company"): Ordinary Resolution

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the turnover of the Company as per last audited financial statements of the Company.

Sotac Lifesciences Private Limited is related party with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Sotac Lifesciences Private Limited is likely to exceed the said threshold limit during the financial year 2024-25.

Accordingly transaction(s) entered with Sotac Lifesciences Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence, approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Sotac Lifesciences Private Limited in the financial year 2024-25.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date particulars of the transactions with Sotac Lifesciences Private Limited are as follows:

Sr. No.	Particulars	Details
1.	Name of Related Parties	Sotac Lifesciences Private Limited
2.	Name of the Director or KMP who is related	Mr. Sharadkumar Dashrathbhai Patel and Mr. Vishalkumar Patel are Common Directors of both the company.
3.	Nature of Relationship	Sotac Lifesciences Private Limited is Subsidiary company of Sotac Pharmaceuticals Limited and above mentioned directors are common directors in both companies.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 25 Crores for FY 2024-25 with Sotac Lifesciences Private Limited.
5.	Nature materials terms and particulars of the Contracts/arrangements/	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods Sale of Raw Material and Sale of Products and for any other purchase/sale transactions from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2024-25
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	NIL

Except Mr. Sharadkumar Dashrathbhai Patel, Mr. Vishalkumar Patel and their relatives, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 07 of this Notice as Ordinary Resolution.

Item No. 08:

Approval of the Related Party Transactions with Sotac Research Private Limited ("Wholly Owned Subsidiary Company"): Ordinary Resolution

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Sotac Research Private Limited is related party with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Sotac Research Private Limited is likely to exceed the said threshold limit during the financial year 2024-25.

Accordingly, transaction(s) entered with Sotac Research Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence, approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Sotac Research Private Limited in the financial year 2024-25.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date particulars of the transactions with Sotac Research Private Limited are as follows:

Sr. No.	Particulars	Details
1.	Name of Related Parties	Sotac Research Private Limited
2.	Name of the Director or KMP who is related	Mr. Sharadkumar Dashrathbhai Patel, Mr. Dineshkumar Babulal Gelot and Mr. Chetankumar Bachubhai Patel are Common Directors of both the Company.
3.	Nature of Relationship	Sotac Research Private Limited is Wholly owned Subsidiary company of Sotac Pharmaceuticals Limited and above mentioned directors are common directors in both companies.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 25 Crores for FY 2024-25 with Sotac Research Private Limited.
5.	Nature materials terms and particulars of the Contracts/arrangements/	Purchase of Raw Materials, Purchase of Products, Purchase of Packing material, Purchase of Finished goods Sale of Raw Material and Sale of Products and for any other purchase/sale transactions from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2024-25
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	NIL

Except Mr. Sharadkumar Dashrathbhai Patel, Mr. Dineshkumar Babulal Gelot, Mr. Chetankumar Bachubhai Patel and their relatives, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

The Board of Directors recommends passing of the resolution as set out item no. 08 of this Notice as Ordinary Resolution.

Annexure to Notice of 9th Annual General Meeting

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-II issued by ICSI for Item No.02, 04 and 05

Name	Mr. Chetankumar Bachubhai Patel	Mr. Ketankumar Arvindbhai Modi	Mr. Bhavinkumar Prafulbhai Joshi
DIN	07252116	Applied	10236029
Date of Birth	28/03/1979	01/06/1985	22/12/1987
Age	45	39	36
Nationality	Indian	Indian	Indian
Qualification	Master of Science (Technology)	Bachelors in Commerce	Bachelors in Commerce
Date of Original Appointment	December 18, 2015	August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later.	August 28, 2024
Date of Appointment in current terms	December 18, 2015	August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later.	August 28, 2024
Experience - Expertise in specific functional areas - Job profile and suitability	He is having more than 16 years of experience in the Pharmaceuticals Industries. He was appointed as Promoter-Executive Director of the company since incorporation of the company.	He is currently doing business of consultancy and provides accounting advisory services. He offers a wealth of knowledge in the areas of accounting and finance, having worked in the accounting and finance industry for more than 7 years. In addition to knowledge and experience, he provides an extensive set of skills.	He is currently engaged in business of Construction Services. He has a wide range of skills and a great deal of expertise in the construction industry. He is also offers a profusion amount of experience in the field of accounting and finance industry.
No. of Shares held as on March 31, 2024 including shareholding as a Beneficial Owner	Holds 10,69,250 Equity Shares	NIL	NIL
No. of Board Meetings Attended During the Year	8	N.A.	N.A.
Directorships held in other Companies as on March 31, 2024	1. Sotac Healthcare Private Limited 2. Sotac Research Private Limited	NIL	NIL

Memberships / Chairmanships* of committees of public companies	-	Membership-2 Chairmanship-0	Membership-2 Chairmanship-0
Inter-se ^ Relationship with other Directors.	Not related to any Directors & KMP of the Company.	Not related to any Directors & KMP of the Company.	Not related to any Directors & KMP of the Company.
Terms & Conditions of appointment or re-appointment	Appointment as an Executive director w.e.f. December 18, 2015, liable to retire by rotation, and his remuneration was revised w.e.f. December 12, 2022.	Appointment as a Non-Executive Independent Director w.e.f. August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later, for a term of 5 years not liable to retire by rotation.	Appointed as an Additional Director (Non-Executive Independent Director) w.e.f. August 28, 2024, for a term of 5 years not liable to retire by rotation.
Remuneration Last Drawn	Rs. 23 Lakhs per annum	Not Applicable	Not Applicable
Remuneration sought to be paid	Up to Rs. 2.50 Lakhs per month	Not Applicable	Not Applicable
Information as required pursuant to NSE Circular No. L1ST/COMP/14/2018-19 dated June 20, 2018	Mr. Chetankumar Bachubhai Patel being re- appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr. Ketankumar Arvindbhai Modi being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr. Bhavinkumar Prafulbhai Joshi being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

*Includes only Audit Committee and Stakeholders' Relationship Committee.

^In accordance with SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013.

DIRECTOR'S REPORT

Dear Shareholders,

The Board of Directors hereby submits the 9th Annual report of the business and operations of your Company ("the Company"), along with the Standalone & Consolidated Audited Financial Statements, for the Financial Year ended on March 31, 2024 ("FY 2023-24/ FY24").

FINANCIAL HIGHLIGHTS:

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Accounting Standards ("AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(Rs. in Lakh)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	6,710.50	5,798.28	10,383.05	7,748.32
Other Income	131.87	24.31	48.62	34.96
Total Income	6,842.37	5,822.59	10,431.67	7783.28
Less: Total Expenses before Depreciation, Finance Cost and Tax	5691.03	4977.48	9,531.51	7023.3
Profit before Depreciation, Finance Cost and Tax	1151.34	845.11	900.16	760
Less: Depreciation	251.11	162.53	310.05	227.78
Less: Finance Cost	101.34	86.13	170.34	197.55
Profit Before Prior Period Items and Tax	798.89	596.45	419.77	392.67
Prior Period Items	(23.38)	-	(23.38)	
Less: Current Tax	212.64	168.39	212.64	168.39
Less: Deferred tax Liability (Asset)	(8.22)	(21.49)	(170.39)	(4.33)
Less: Income Tax Prior period	(3.79)	-	(3.79)	-
Profit After Tax	574.88	449.55	357.93	228.61

BUSINESS OVERVIEW AND FINANCIAL PERFORMANCE:

Financial Performance on Standalone Basis:

The total income of your Company for the year ended March 31, 2024 was Rs. 6,842.37 Lakh as against the total income of Rs. 5822.59 Lakh for the previous year ended March 31, 2023. The Total Income of your company was increased by 17.51% over previous financial year.

The major increase in total income of your Company was due to increase in the sales of your company. In the Financial year 2023-24, the Revenue from Operation increased about 15.73% as compared to previous Financial Year 2022-23.

During the year under review, your Company has earned a Net Profit after Tax of Rs. 574.88 Lakh as compared to Net Profit after Tax of Rs. 449.55 Lakh in the previous financial year. The profit of your Company increased about 21.80% as compared to previous financial year. The increase in profit is due to increase in total income of your company.

Financial Performance on Consolidate Basis:

The Consolidated Financial Statements presented by your Company include the financial results of following Subsidiary Companies:

- (a) Sotac Healthcare Private limited;
- (b) Sotac Research Private limited; and
- (c) Sotac Lifesciences Private limited

Consolidated Financial Statements:

The Consolidated financial statements of your Company for the financial year 2023-24 are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards (“AS”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI (LODR) Regulations, 2015”) which form part of this Annual Report.

During the year under review, The Consolidated Revenue from Operation of your Company was Rs. 10,383.05 Lakh as against Rs. 7,748.32 Lakh in the previous financial year.

The consolidated total income of your Company was Rs. 10,431.67 Lakh as against Rs. 7783.28 Lakhs in the previous financial year. The Consolidated total income of your company was increased by 34.03% over previous financial year.

Your Company has earned a Consolidated Net Profit after Tax of Rs. 357.93 Lakh for the year ended March 31, 2024 as compared to Rs. 228.61 Lakhs during the previous financial year ended March 31, 2023. The profit of your Company increased about 56.57% as compared to previous financial year. The Increased in net profit is due to increase in revenue from operation.

Transfer to General Reserve:

During the year, your Company has not apportioned any amount to other reserve. Total amount of net profit is carried to the Reserves & Surplus as shown in the Balance Sheet of the Company.

Dividend:

With a view to conserve and save the resources for future prospects of your Company, the Directors have not declared any dividend for the Financial Year 2023-24.

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

Company Background:

Your Company was originally formed and registered as a Partnership Firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Sotac Pharmaceuticals”, pursuant to a deed of partnership dated October 28, 2015. Subsequently the Partnership Firm was converted to a Private Limited Company under Part I (Chapter XXI) of the Companies Act, 2013 in the name and style of “Sotac Pharmaceuticals Private Limited” and received a certificate of incorporation dated December 18, 2015 from the Registrar of Companies, Ahmedabad. Later on your Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra-ordinary General Meeting of our Company held on November 12, 2022 and the name was changed to “Sotac Pharmaceuticals Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated November 22, 2022 was issued by the Registrar of Companies, Ahmedabad.

CHANGE IN NATURE OF BUSINESS:

During the year under review, your Company has not changed its business or object and continues to be in the same line of business as per the main object of the Company.

SHARE CAPITAL:

Authorized Capital

During the year under review, there was no change in the Authorized share capital of your Company.

The Authorized Share Capital of your Company as on March 31, 2024, is Rs. 11,50,00,000/- (Rupees Eleven Crore Fifty Lakh Only) divided into 11500000 (One Crore Fifteen Lakh) Equity Shares of Rs.10.00/- (Rupees Ten Only) each.

Issued, Subscribed & Paid-Up Capital

During the year under review, the following changes took place in the Issued, Subscribed & Paid-Up Share Capital of the Company:

- Pursuant to the Initial Public Offer of Equity Shares by the Company, the Board of Directors, in their meeting held on April 10, 2023, has allotted total 3000000 (Thirty Lakh) Equity Shares Rs. 10/- (Rupees Ten Only) each at price of Rs. 111/- (Rupees One Hundred Eleven Only) per Equity Share [Including a share premium of Rs. 101/- (Rupees One Hundred One Only) Per Equity Share] to the successful allottees, whose list have been finalized by the Company, the Registrar to the issue and merchant banker in consultation with National Stock Exchange of India Limited.

The Issued, Subscribed & Paid-up Capital of your Company as on March 31, 2024, is Rs. 11,05,00,000/- (Rupees Eleven Crore Five Lakh Only) divided into 1,10,50,000 (One Crore Ten Lakh Fifty Thousand) Equity Shares of Rs.10.00/- (Rupees Ten Only) each.

UTILISATION OF IPO PROCEEDS:

Your Company raised funds of Rs. 3,330.00 Lakhs through Initial Public Offering (IPO). The gross proceeds of IPO have been utilized in the manner as proposed in the Offer Document, the details of which are hereunder:

(Rs.in Lakhs)

Sr. No.	Original Object	Original Allocation	Funds Utilized upto June 30, 2023
	To meet Working Capital Requirements	1,080.00	1,080.00
	Investment in Subsidiary	700.00	700.00
	Upgradation / Construction of Existing /New Building in the Existing Premises	590.01	590.01
	General Corporate Purpose	739.99	739.99
	Public Issue Related Expenses	220.00	220.00
	Total	3,330.00	3,330.00

Further, there is no deviation/variation in the utilization of the gross proceeds raised through IPO.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Constitution of Board:

As on the date of this report, the Board comprises of the following Directors;

Name of Director	Category Cum Designation	Date of Original Appointment	Date of Appointment at current Term & designation	Total Director Ships in other co. ²	No. of Committee ¹		No. of Shares held as on March 31, 2024
					in which Director is Members	in which Director is Chairman	
Mr. Sharadkumar	Chairman &	18/12/2015	12/12/2022	3	1	-	14,31,500

Dashrathbhai Patel	Managing Director						
Mr. Dineshkumar Babulal Gelot	Whole time Director	18/12/2015	12/12/2022	2	-	-	14,31,500
Mr. Vishalkumar Patel	Executive Director	18/12/2015	18/12/2015	2	-	-	14,31,500
Mr. Chetankumar Bachubhai Patel	Executive Director	18/12/2015	18/12/2015	2	-	-	10,69,250
Ms. Nidhiben Patel*	Non-Executive Independent Director	12/12/2022	19/12/2022	-	-	-	-
Ms. Hetal Umangbhai Shah*	Non-Executive Independent Director	12/12/2022	19/12/2022	-	-	-	-
Ms. Heena Viral Patel	Non-Executive Independent Director	12/12/2022	19/12/2022	-	2	2	-
Mr. Bhavinkumar Prafulbhai Joshi**	Additional (Non-Executive Independent) Director	28/08/2024	28/08/2024	-	2	-	-
Mr. Ketankumar Arvindbhai Modi**	Additional (Non-Executive Independent) Director	28/08/2024 [#]	28/08/2024 [#]	-	2	-	-

*Committee includes Audit Committee and Shareholders' Relationship Committee across all Public Companies including our Company.

² excluding Section 8 Company, Struck off Company, Amalgamated Company and LLPs

* Ms. Nidhiben Patel (DIN: 09820927), and Ms. Hetal Umangbhai Shah (DIN: 09829110) has resigned from the post of Non-Executive Independent Director of the company w.e.f. August 08, 2024.

** Mr. Bhavinkumar Prafulbhai Joshi and Mr. Ketankumar Arvindbhai Modi[#] has been appointed as Additional (Non-Executive Independent) Director of the company w.e.f. August 28, 2024 in the board meeting held on August 28, 2024.

[#]Appointed w.e.f. August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs, whichever is later.

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Director of the Company is serving as a Whole-Time Director in any other Listed Company and the number of their directorship is within the limits laid down under section 165 of the Companies Act, 2013.

INFORMATION ON DIRECTORATE:

During the year under review, there was no change in constitution of the Board of Directors of your Company. However, there were Changes in Board Composition after the closure of the financial year and up to the date of this report as furnished below:

a) Cessation:

- After closure of financial year 2023-24, Ms. Hetal Umangbhai Shah (DIN: 09829110) tendered her resignation vide letter dated August 8, 2024 from the post of Non-Executive Independent Director of the Company w.e.f. August 8, 2024, due to personal reasons and personal commitment. Further, she informed that there was no other material reason for her resignation.
- Further, after closure of financial year 2023-24, Ms. Nidhiben Patel (DIN: 09820927) also tendered her resignation vide letter dated August 8, 2024 from the post of Non-Executive Independent Director of the Company w.e.f. August 8, 2024, due to personal reasons and personal commitment. Further, she informed that there was no other material reason

for her resignation.

The Board places on record the appreciation for valuable services and guidance provided by the outgoing Director, during their tenure of Directorship.

b) Appointment

- After closure of financial year 2023-24, Mr. Ketankumar Arvindbhai Modi has been appointed as an Additional Director (Non-Executive Independent) w.e.f. August 28, 2024 or the date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs whichever is later, for a term of 5 years not liable to retire by rotation.
- Further, after closure of financial year 2023-24, Mr. Bhavinkumar Prafulbhai Joshi (DIN: 10236029) has been appointed as an Additional Director (Non-Executive Independent) w.e.f. August 28, 2024, for a term of 5 years not liable to retire by rotation.

c) Retirement by rotation and subsequent re-appointment:

- Mr. Chetankumar Bachubhai Patel (DIN: 07252116), Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting, pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and being eligible have offered himself for re-appointment.

Appropriate business for his re-appointment is being placed for the approval of the shareholders of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the ensuing AGM of the Company.

KEY MANAGERIAL PERSONNEL:

As on the date of this report, the following are Key Managerial Personnel (“KMPs”) of the Company as per Sections 2(51) and 203 of the Act:

- Mr. Sharadkumar Dashrathbhai Patel – Chairman & Managing Director of the Company *w.e.f. December 12, 2022.*
- Mr. Dineshkumar Babulal Gelot – Whole time Director of the Company *w.e.f. December 12, 2022.*
- Mr. Brijeshkumar Ranchhodbhai Patel – Chief Financial Officer of the Company *w.e.f. December 30, 2022.*
- Ms. Niyati Dipesh Parikh – Company Secretary & Compliance Officer of the Company *w.e.f. August 11, 2023.*

During the financial year 2023-24, there were no changes took place in KMP except Ms. Pooja Bagrecha tendered her resignation from the post of Company Secretary of the Company w.e.f. August 5, 2023 and Ms. Niyati Dipesh Parikh was appointed as Company Secretary & Compliance Officer of the Company w.e.f. August 11, 2023.

BOARD MEETING:

The Board of your Company regularly meets to discuss various Business opportunities. Additional Board meetings are convened, as and when required to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of your Company met 08 (Eight) times as on April 10, 2023; May 29, 2023; August 11, 2023; October 03, 2023; November 06, 2023; November 21, 2023; December 13, 2023 and February 05, 2024.

The details of attendance of each Director at the Board Meetings are given below:

Name of Director	Date of Original Appointment	Date of Cessation	Number of Board Meetings Eligible to attend	Number of Board Meetings attended
Mr. Sharadkumar Dashrathbhai Patel	18/12/2015	-	8	8
Mr. Dineshkumar Babulal Gelot	18/12/2015	-	8	8
Mr. Vishalkumar Patel	18/12/2015	-	8	8
Mr. Chetankumar Bachubhai Patel	18/12/2015	-	8	8
Ms. Nidhiben Patel	19/12/2022	-	8	8
Ms. Hetal Umangbhai Shah	19/12/2022	-	8	8
Ms. Heena Viral Patel	19/12/2022	-	8	8

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

GENERAL MEETINGS:

During the year under review, the following General Meetings were held, the details of which are given as under:

Sr. No.	Type of General Meeting	Date of General Meeting
1.	Annual General Meeting	September 11, 2023

DISCLOSURE BY DIRECTORS:

The Directors on the Board have submitted notice of interest under Section 184(1) of the Companies Act, 2013 i.e. in Form MBP-1, intimation under Section 164(2) of the Companies Act, 2013 i.e. in Form DIR- 8 and declaration as to compliance with the Code of Conduct of the Company.

INDEPENDENT DIRECTORS:

In terms of Section 149 of the Companies Act, 2013 and rules made there under, as on March 31, 2024 your Company has three Non-Promoter Non-Executive Independent Directors in line with the act. Your Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Act. Further, all the Independent Directors of the Company have registered themselves in the Independent Director Data Bank.

A separate meeting of Independent Directors was held on February 05, 2024 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

CHANGE IN REGISTERED OFFICE:

During the year, there was no change in Registered Office of your Company.

PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the following manners;

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the

criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee 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.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of Annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2024 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF BOARD:

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

A. Audit Committee:

Your Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held for the purpose of recommending the quarterly, half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee.

During the year under review, Audit Committee met 4 (Four) times viz on May 29, 2023; August 11, 2023; November 06, 2023 and February 05, 2024.

The composition & attendance of the Audit Committee are as given below:

Name	DIN	Category	Designation	Number of Meetings During the Financial Year 2023-24	
				Eligible to Attend	Attended
Ms. Hetal Umangbhai Shah	09829110	Non-Executive Independent Director	Chairperson	4	4
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Member	4	4
Mr. Sharadkumar Dashrathbhai Patel	07252252	Chairman and Managing Director	Member	4	4

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Company Secretary and Chief Financial Officer of the Company are the regular invitee at the Meeting.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board of Directors.

Further, After the closure of Financial year 2023-24, Ms. Nidhiben Patel and Ms. Hetal Umangbhai Shah has tendered their resignation from the post of Non-Executive Independent Director of the company w.e.f. August 08, 2024 due to personal reasons and personal commitment. Subsequently, Board of Directors in their meeting held on August 28, 2024 appointed Mr. Bhavinkumar Prafulbhai Joshi and Mr. Ketankumar Arvindbhai Modi as Additional (Non-Executive Independent) Directors of the Company.

Pursuant to which board of directors in the said meeting reconstituted Audit Committee of the company. After this changes, the new composition of the Audit Committee is as given below;

Name	DIN	Category	Designation
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Chairperson
Mr. Bhavinkumar Prafulbhai Joshi	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi	Applied for DIN	Additional (Non-Executive Independent) Director	Member
Mr. Sharadkumar Dashrathbhai Patel	07252252	Chairman and Managing Director	Member

Vigil Mechanism:

Your Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by your Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of your Company <https://sotacpharma.com/wp-content/uploads/2023/08/Vigil-Mechanisam-Whistle-Blower-Policy.pdf>

B. Stakeholder's Relationship Committee:

Your Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. The Stakeholders Relationship Committee shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company.

During the year under review, Stakeholder's Relationship Committee met 4 (Four) time viz on May 29, 2023, August 11, 2023, November 06, 2023, February 05, 2024.

The composition & attendance of the Stakeholder's Relationship Committee are as given below:

Name	DIN	Category	Designation	Number of Meetings During the Financial Year 2023-24	
				Eligible to Attend	Attended
Ms. Hetal Umangbhai Shah	09829110	Non-Executive Independent Director	Chairperson	4	4
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Member	4	4
Ms. Nidhiben Patel	09820927	Non-Executive Independent Director	Member	4	4

Also, during the year, your Company had not received any complaints from the Shareholders. There was no complaint pending as on March 31, 2024.

Further, After the closure of Financial year 2023-24, Ms. Nidhiben Patel and Ms. Hetal Umangbhai Shah has tendered their resignation from the post of Non-Executive Independent Director of the company w.e.f. August 08, 2024 due to personal reasons and personal commitment. Subsequently, Board of Directors in their meeting held August 28, 2024 appointed Mr. Bhavinkumar Prafulbhai Joshi and Mr. Ketankumar Arvindbhai Modi as Additional (Non-Executive Independent) Directors of the Company.

Pursuant to which board of directors in the said meeting reconstituted Stakeholder's Relationship Committee of the company. After this change, the new composition of the Stakeholder's Relationship Committee is as given below;

Name	DIN	Category	Designation
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Chairperson
Mr. Bhavinkumar Prafulbhai Joshi	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi	Applied for DIN	Additional (Non-Executive Independent) Director	Member

C. Nomination and Remuneration Committee:

Your Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013.

Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, Nomination and Remuneration Committee met 2 (two) times, viz on August 11, 2023 and February 05, 2024.

The composition & attendance of the Nomination and Remuneration Committee are given as below:

Name	DIN	Category	Designation	Number of Meetings During the Financial Year 2023-24	
				Eligible to Attend	Attended
Ms. Hetal Umangbhai Shah	09829110	Non-Executive Independent Director	Chairperson	2	2
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Member	2	2
Ms. Nidhiben Patel	09820927	Non-Executive Independent Director	Member	2	2

Further, After the closure of Financial year 2023-24, Ms. Nidhiben Patel and Ms. Hetal Umangbhai Shah has tendered their resignation from the post of Non-Executive Independent Director of the company w.e.f. August 08, 2024 due to personal reasons and personal commitment. Subsequently, Board of Directors in their meeting held on August 28, 2024 appointed Mr. Bhavinkumar Prafulbhai Joshi and Mr. Ketankumar Arvindbhai Modi as Additional (Non-Executive Independent) Directors of the Company.

Pursuant to which board of directors in the said meeting reconstituted Nomination and Remuneration Committee of the company. After this change, the new composition of the Nomination and Remuneration Committee is as given below;

Name	DIN	Category	Designation
Ms. Heena Viral Patel	09829226	Non-Executive Independent Director	Chairperson
Mr. Bhavinkumar Prafulbhai Joshi	10236029	Additional (Non-Executive Independent) Director	Member
Mr. Ketankumar Arvindbhai Modi	Applied for DIN	Additional (Non-Executive Independent) Director	Member

Nomination and Remuneration Policy:

Nomination and Remuneration Policy in the Company is designed to create a high performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. Your Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, of each year.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <https://sotacpharma.com/wp-content/uploads/2023/08/Nomination-and-Remuneration-Policy.pdf>

REMUNERATION OF DIRECTOR:

The details of remuneration paid during the financial year 2023-24 to directors of the Company is provided in Form MGT-7 available at website of the Company, i.e. <https://sotacpharma.com/annual-reports/>

PUBLIC DEPOSIT:

Your company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY:

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2024 is available on the Company’s website on <https://sotacpharma.com/annual-reports/>

MATERIAL CHANGES AND COMMITMENT:

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2024 to the date of this Report.

PARTICULAR OF EMPLOYEES:

The ratio of the remuneration of each director to the median of employees’ remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure-A**.

Further, in terms of Section 136 of the Act, the said annexure is open for inspection in electronic mode for Members. Any shareholder interested in obtaining a copy of the same may write to Company Secretary.

INFORMATION ON SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES:

Your company having following mentioned Subsidiary companies as on the closure of financial year 2023-24.

Sr. No.	Name of company	Address of Registered Office	Nature of Business
1	Sotac Healthcare Private Limited	Plot No PF-20, Sanand GIDC -II, Nr. Acme Pharma, Sanand, Ahmedabad-382110, Gujarat.	BETA LACTAM UNIT Manufacturing plant is planned and designed aesthetically, operates with highest safety and environment standards ensuring the required isolation and differentiation of processes and sections to minimize chances of cross contamination.
2	Sotac Lifesciences Private Limited	Plot No PF-59, Sotac Lifesciences Private Limited, Sanand GIDC-II, Charal Industrial Estate, Sanand, Ahmedabad, Sanand -382110, Gujarat.	The Company has two Manufacturing Units: Unit I: The Company has entered into a Manufacturing Agreement (Loan License Contract) for production of agreed volume or quantities for ready-mix materials used for coating of pharmaceutical tablets per year for next 10 years at mutually agreed manufacturing unit I exclusively for Kerry Ingredients India Private Limited (“Kerry”) which will attribute towards profitability of the Company. Kerry Ingredients India Private Limited is a company under KERRY GROUP P.L.C. Tralee, County Kerry, Ireland. Kerry is the world’s leading taste and nutrition partner for the food, beverage and pharmaceutical markets. Unit II: The company has state of art manufacturing facility for various pharmaceutical formulations- allopathic, healthcare, nutraceuticals, ayurvedic

			products. The said manufacturing facility will be designated to cater the requirement of various regulated and emerging market. It is established to undertake complex generic products like modified released solid oral dosage forms, suspensions and complex and immediate release dosage form. The said manufacturing facility is equipped with all modern sophisticated equipment's for product formulations. This project is establishment of pharmaceutical formulation plant with annual capacity of 1200 Lacs Tablet/Month. 300 Lacs Capsules/Month; 1200 Lacs syrup/Month and 600 kg Sachet/Month at full capacity utilization.
3	Sotac Research Private Limited	Plot No. PF-21, Nr. Acme Pharma, Opp. Teva Pharma Sanand GIDC-II, Sanand Ahmedabad - 382110	<ul style="list-style-type: none"> - State of the art R &D centre for formulations development - Team of 10 + scientists - State of the art instruments for Oral solids, oral liquid, external preparations development - Collaboration for Availability of high end equipment's like Differential Scanning, Calorimeter, Zeta Sizer, XRD, Atomic Force Microscope, LC/MS/MS, Particle size analyser

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is annexed to this Report as **Annexure –B**.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of Companies Act, 2013, Consolidated Financial Statements of your Company and all its subsidiaries in accordance with the relevant accounting standards have been prepared which forms part of the Annual Report.

Further, Your Company does not have any Associate Companies and Joint Ventures as on March 31, 2024.

TRANSACTIONS WITH RELATED PARTIES:

All the Related Party Transactions entered into during the financial year were on an Arm’s Length basis and in the Ordinary Course of Business. No material significant Related Party Transactions (i.e. exceeding 10% of the annual consolidated turnover as per the last audited financial statement) with Promoters, Directors, Key Managerial Personnel (KMP) and other related parties which may have a potential conflict with the interest of the Company at large, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

Further, prior omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were placed before the Audit Committee and the Board of Directors for their review and approval.

The details of the related party transactions for the financial year 2023-24 is given in notes of the financial statements which is part of Annual Report. The Policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company at <https://sotacpharma.com/wp-content/uploads/2023/08/Related-Party-Transaction-Policy.pdf>

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in

handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2023-24, your Company has received nil complaints on sexual harassment as of March 31, 2024. The Policy on Anti Sexual Harassment as approved by the Board of Directors is available on the website of the Company at <https://sotacpharma.com/wp-content/uploads/2023/08/Anti-Sexual-Harassment-Policy.pdf>

RISK MANAGEMENT:

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-C** of this report.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARDS OF ICSI:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditor of the Company and the audit committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations.

M/s. Keyur Shah & Co., Chartered Accountants (FRN: 141173W), the statutory auditors of the Company have audited the financial statements included in this annual report and has issued a report annexed as an **Annexure-B** to the Audit Report of the Company on our internal control over financial reporting as defined in section 143 of Companies Act, 2013.

The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditor. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets the statutory auditors of the Company to ascertain, inter alia, their views on the adequacy of Internal control systems and keeps the board of directors informed of its major- observations periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013), our audit committee has concluded that, as of March 31, 2024, our internal financial controls were adequate and operating effectively.

CORPORATE GOVERNANCE:

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices

in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

As your company has been listed on Emerge Platform of National Stock Exchange Limited, by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C D and E of Schedule V are not applicable to the company. Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the audited financial statements as on March 31, 2023, the net profit of your Company (profit as per Section 198 of Companies Act, 2013) is exceeding Rs. 5.00 Crore. As per Section 135(9) of the Companies Act, 2013, where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. Therefore, company doesn't require constituting Corporate Social Responsibility Committee. The CSR Policy is available on the website of the company at <https://sotacpharma.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf>

CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. During the Financial year 2023-24, our company has incurred CSR expenditure of Rs. 9,31,417/- (Rupees Nine Lakh Thirty-One Thousand Four Hundred Seventeen Only) which is equivalent to 2% of the average net profit over the last three financial years in compliance of provisions of the Companies Act, 2013.

Main focus of our Company with respect to CSR endeavours was in the areas of School Education, Nutrition and Healthcare and contribution towards the availability/up-gradation of basic school and college infrastructure/medical care. Our Company has contributed its CSR expenditure to "Shree Shraddha Education and Charitable Trust" for their Promotion of Education project of "Vocational training for reaching to unreached" Rural Development, Community Mobilization and Livelihood Promotion Activities wherein they basically implement and provide vocational training and self-employment training in the rural poor areas of Gujarat without distinction in caste or creed.

Our Company's CSR Policy Statement and Annual Report on CSR activities undertaken during the Financial Year 2023-24, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 as per the prescribed format is annexed as an **Annexure-D** to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 a review of the performance of the Company for the year under review Management Discussion and Analysis Report is presented in a separate section which is annexed to this Report as **Annexure-E**.

STATUTORY AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Keyur Shah & Co., Chartered Accountants (FRN: 141173W), were appointed as Statutory Auditors of the Company in the Annual General Meeting ("AGM") of the members of company held on September 11, 2023 to hold office from the conclusion of this 8th Annual General Meeting till conclusion of the 12th Annual General Meeting to be held in the calendar year 2027.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

The Auditors' Report is enclosed with the financial statements in this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

INTERNAL AUDITOR:

Pursuant to Section 138 of Companies Act 2013, your Company had appointed M/s. Amit G Patel & Associates Chartered Accountant (FRN: 152837W), Ahmedabad, as an Internal Auditor of the Company for the Financial year 2023-24.

SECRETARIAL AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. SCS and Co. LLP, Practicing Company Secretary, Ahmedabad, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report is annexed herewith as **Annexure –F** to this Report.

There have been few common annotations reported by the above Secretarial Auditors in their Report with respect to:

1. Regulation 3(5) & 3(6) SEBI of Prohibition of Insider Trading Regulations, 2015.

Company got listed on April 13, 2023 Company purchased Software on May 23, 2023. Company maintained SDD software in Excel for 42 days. We cannot comment on SDD entry made for UPSI dated April 29, 2023 for new Purchase order of Approx. Rs. 4.24 Crores received by Subsidiary Company and May 11, 2023 for Additional investment in Subsidiary Company by way of subscription towards Rights Issue, as data maintained in excel does not have Audit Trails such as Time Stamping.

Management Reply: Company was finalizing software with various Vendors. As SDD Software are not that user Friendly, we took 42 days to finalize software and therefore we maintained SDD Entries in excel format during these days. We have ensured that no Trade was executed by any of the Designated Persons who were in Possession of any UPSI. Further there is no change in Holding of Promoter and Promoter Group since Listing of Company.

MAINTENANCE OF COST RECORD:

Pursuant to the provisions of the Companies Act, 2013 and rules thereof, the Board of Directors of your Company, have appointed M/s. Suthar Haresh & Associates, Cost Accountants, Ahmedabad (Firm Registration No.: 002124) as the Cost Auditor of the Company to audit the cost records of the Company for the financial year 2023-24.

Pursuant to the provisions of the Companies Act, 2013 and rules thereof, the Board of Directors of your Company, in their meeting held on August 28, 2024, on the recommendation of the Audit Committee, have appointed M/s. Suthar Haresh & Associates, Cost Accountants, Ahmedabad (Firm Registration No.: 002124) as the Cost Auditor of the Company to audit the cost records of the Company for the financial year 2024-25. M/s. Suthar Haresh & Associates, have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that their appointment meets the requirements of Section 141(3) (g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified at the ensuing Annual General Meeting.

Your Company has maintained cost accounts and records in accordance with provisions of Section 148 of the Companies Act, 2013 and rules thereof.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no other significant/material orders passed by the Regulators, Courts, Tribunals, Statutory and quasi-judicial body impacting the going concern status of the Company and its operations in future.

The details of litigation on tax and other relevant matters are disclosed in the Auditors' Report and Financial Statements which forms part of this Annual Report.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2023-24, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016

WEBSITE:

Your Company has its fully functional website www.sotacpharma.com which has been designed to exhibit all the relevant details about the Company. The site carries a comprehensive database of information of the Company including the Financial Results of your Company, Shareholding Pattern, details of Board Committees, Corporate Policies/ Codes, business activities and current affairs of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013, Companies Rules, 2014 and as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also the non-mandatory information of Investors' interest / knowledge has been duly presented on the website of the Company.

GENERAL DISCLOSURE:

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review;

- (i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iii) There is no revision in the Board Report or Financial Statement;
- (iv) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

APPRECIATIONS AND ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment during the year under review.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

Registered office:

Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110

For and on behalf of Board of Directors
Sotac Pharmaceuticals Limited
CIN: L24230GJ2015PLC085451

Place: Ahmedabad
Date: August 28, 2024

Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

ANNEXURE – A

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under:

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The ratio of remuneration of each director to the median remuneration of employees for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against Median Employee's Remuneration	Percentage Increase
1.	Mr. Sharadkumar Dashrathbhai Patel	Chairman & Managing Director	Remuneration	13.90:1	30.43%
2.	Mr. Dineshkumar Babulal Gelot	Whole Time Director	Remuneration	13.90:1	30.43%
3.	Mr. Vishalkumar Patel	Executive Director	Remuneration	13.90:1	30.43%
4.	Mr. Chetankumar Bachubhai Patel	Executive Director	Remuneration	13.90:1	30.43%
5.	Ms. Nidhiben Patel	Non-Executive Independent Director	Sitting Fee	-	Not Applicable
6.	Ms. Hetal Umangbhai Shah	Non-Executive Independent Director	Sitting Fee	-	Not Applicable
7.	Ms. Heena Viral Patel	Non-Executive Independent Director	Sitting Fee	-	Not Applicable
8.	Mr. Brijeshkumar Ranchhodbhai Patel [#]	Chief Financial Officer	Salary	2.91:1	-
9.	Ms. Pooja Bagrecha ^{*#}	Company Secretary	Salary	0.56:1	-
10.	Ms. Niyati Dipesh Parikh [^]	Company Secretary	Salary	0.23:1	Not Applicable

^{*} Ms. Pooja Bagrecha resigned w.e.f August 05, 2023

[^] Ms. Niyati Dipesh Parikh appointed w.e.f August 11, 2023

[#] The percentage increase is not shown as they were appointed during the year 2022-23 and therefore the comparatives for full year are not available.

Note: We have considered only permanent employees of the Company.

b) The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of the employees in current financial year was increased by 51.87 % over the previous financial year due to increase in number of employees.

c) The number of permanent employees on the rolls of the Company:

68 Permanent Employees as on March 31, 2024.

d) 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:

The Average salary of employee was increased by 52.53% due to increase in number of employees in comparison to previous year, whereas the remuneration of the executive directors was also increased during the year and it was within the limit as approved by the shareholders of the Company.

e) Affirmation that the remuneration is as per the remuneration policy of the company

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company is as per the Remuneration Policy of the Company.

f) During the financial year, there was no employee employed throughout the financial year or part of the financial year who was in receipt of remuneration in the aggregate of not less than Rs. 8.50 Lacs per month or Rs. 1.02 Crore per financial year.

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CIN: L24230GJ2015PLC085451

Place: Ahmedabad
Date: August 28, 2024

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Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

ANNEXURE – B

FORM NO. AOC-1

[Pursuant to First Proviso to Sub-Section (3) Of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement Containing Salient Features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures:

PART-A: SUBSIDIARIES

(Information in respect of subsidiary presented with amounts in Rs. Lakhs)

Sr. No.	Particulars	Details of Subsidiaries		
		Sotac Healthcare Private Limited	Sotac Lifesciences Private Limited	Sotac Research Private Limited
1.	Name of the subsidiary			
2.	The date since when subsidiary was acquired	April 19, 2022	December, 19, 2022	April 15, 2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.
5.	Share capital	750	996	10
6.	Reserves & surplus	(842.50)	(47.48)	(10.53)
7.	Total assets	3074.25	1642.53	20.94
8.	Total Liabilities	3166.75	694.01	21.47
9.	Investments	-	-	-
10.	Turnover	4611.70	-	3.90
11.	Profit before taxation	(328.22)	(46.92)	(4.00)
12.	Provision for taxation	-	-	-
13.	Profit after taxation	(168.08)	(46.92)	(1.95)
14.	Proposed Dividend	-	-	-
15.	% of shareholding	71%	54.27%	100%

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For and on behalf of Board of Directors

Sotac Pharmaceuticals Limited
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Place: Ahmedabad
Date: August 28, 2024

Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

ANNEXURE – C

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Pursuant to Section 134 (3) (m) of the Companies Act, 2013 & and rules made there under)

A. Conservation of energy –

- (i) **The steps taken or impact on conservation of energy:** Company ensures that the operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- (ii) **The steps taken by the Company for utilizing alternate sources of energy:** No alternate source has been adopted.
- (iii) **The capital investment on energy conservation equipment:** No specific investment has been made in reduction in energy consumption.

B. Technology absorption –

- (i) **The effort made towards technology absorption:** Not Applicable.
- (ii) **The benefit derived like product improvement, cost reduction, product development or import substitution:** Not Applicable
- (iii) **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NotApplicable**
 - a. **The details of technology imported:** Nil.
 - b. **The year of import:** Not Applicable.
 - c. **Whether the technology has been fully absorbed:** Not Applicable.
 - d. **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable.
 - e. **The expenditure incurred on Research and Development:** Nil
 - f. **Foreign Exchange Earnings & Expenditure:**

(in Rs.)

Sr. No.	Particulars	F.Y. 2023-24	F.Y. 2022-23
1	Foreign Exchange Earnings	-	230666
2	Details of Foreign Exchange Expenditure:	NIL	NIL

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DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

ANNEXURE- D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to clause (o) of Sub-Section 3 of Section 134 of the Act, Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A Brief outline of the Company’s CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes:

To ensure long-term success and sustainability, our company's objective is centered on our dedication to integrating seamlessly with our community and society. Through a comprehensive approach that includes corporate governance, advocacy for community goals, philanthropy, and sustainable wealth development, our CSR Policy reflects this commitment. The Company’s CSR initiatives are guided by the principles outlined in Schedule VII of the Companies Act, 2013. We have developed our CSR Policy to align with these statutory requirements and have made it accessible on our website for transparency and public review at <https://sotacpharma.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf>

2. The Composition of CSR Committee as at March 31, 2024:

According to Section 135(9) of the Companies Act, 2013, the requirement under sub-section (1) for the formation of the Corporate Social Responsibility Committee shall not be applicable in cases where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees. In these cases, the Board of Directors of the company shall perform the functions of the Committee as provided under this section. Thus, the provision for constituting CSR Committee is not applicable to the Company.

3. Web Link of the Website of the Company for ~~Composition of CSR Committee, CSR Policy and CSR Projects Approved by the Board:~~

<https://sotacpharma.com/wp-content/uploads/2023/08/Corporate-Social-Responsibility-Policy.pdf>

4. 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.

Not Applicable for the financial year under review.

5. Details of the Amount Available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 And Amount Required for set-off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		NIL	

6. Average net profit of the Company as per section 135(5) for last three financial years: Rs. 46,570,824

7.

- a) Two percent of average net profit of the company as per section 135(5): Rs. 9,31,417
- b) Surplus arising out of CSR projects/ programmes/ activities of the previous financial years: NIL
- c) Amount required to be set off for the financial year: NIL
- d) Amount unspent, if any: NIL
- e) Total CSR obligation for the financial year (7a+7b-7c): Rs. 9,31,417

8.

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

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	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 Fund	Amount	Date of Transfer
Rs. 9,31,417	Not Applicable				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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 Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	“Vocational training for reaching to unreached” Rural Development, Community Mobilization and Livelihood Promotion Activities	Item No. (ii) of Schedule VII to the Act – Promotion of Education	Yes	Ahmedabad	Gujarat	9,31,417	Yes	Shree Shraddha Education And Charitable Trust	CSR00029026

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): Rs. 931,416.49

g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	9,31,417
(ii)	Total amount spent for the Financial Year	9,31,417
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9.

(a) Details of unspent CSR amount for the preceding three financial years:

1 Sl. No.	2 Preceding Financial Year	3 Total Amount transferred to Unspent CSR Account as per Section 135(6)	4 Balance Amount In Unspent CSR Account	5 Amount Spent In The F.Y	6 Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		7 Amount reaming to spent in succeeding F.Y	8 Deficiency
					Amount	Date of Transfer		
N.A.								

* During the FY 2022-23, the Company could not spend CSR obligation of Rs. 6, 15,776/- (Rupees Six Lakh Fifteen Thousand Seven Hundred Seventy-Six Only). However, Company had transferred such unspent amount to a Fund specified in Schedule VII with the period of six months i.e. on August 18, 2023.

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: No capital asset was created / acquired for FY 2023-24 through CSR spent.

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	: Not Applicable

capital asset)

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

Not Applicable

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Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
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Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW:

Global Economy:

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. Global growth is projected to stay at 3.1 percent in 2024 and rise to 3.2 percent in 2025. Elevated central bank rates to fight inflation and a withdrawal of fiscal support amid high debt weigh on economic activity. Inflation is falling faster than expected in most regions, amid unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and 4.4 percent in 2025, with the 2025 forecast having been revised down. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

Indian Economy Outlook:

India has maintained a strong economic performance despite global challenges and geopolitical concerns. This resilience can be attributed to robust domestic demand, a pickup in rural demand, strong investment levels, and sustained momentum in manufacturing. Despite global challenges, India stands out for its robust economic growth, demonstrating broad-based expansion across various sectors and reaffirming its pivotal role in supporting global economic growth.

The combined efforts of the government and the Reserve Bank of India (RBI) to tackle inflation through strategic policy rate adjustments, bolstering food reserves, and facilitating easier imports have successfully managed inflationary pressures. As a result, retail inflation in the fiscal year 2023-24 saw a notable decrease, reaching its lowest point since the onset of the Covid-19 pandemic. Core inflation specifically declined to 3.3% by March 2024. Moreover, the forecast of an above-normal monsoon in 2024 augurs well for agricultural productivity, which is expected to further alleviate concerns regarding inflation.

The backdrop of slowing global trade poses challenges for economies globally. However, India is poised to reduce its trade deficit in the upcoming years, supported by the expanded coverage of the Production Linked Incentive (PLI) scheme across multiple sectors. Strong export performance and robust remittance inflows are anticipated to contribute significantly. International agencies and the Reserve Bank of India (RBI) forecast that the Current Account Deficit (CAD) as a percentage of GDP will likely have moderated to below 1% in the fiscal year 2023-24.

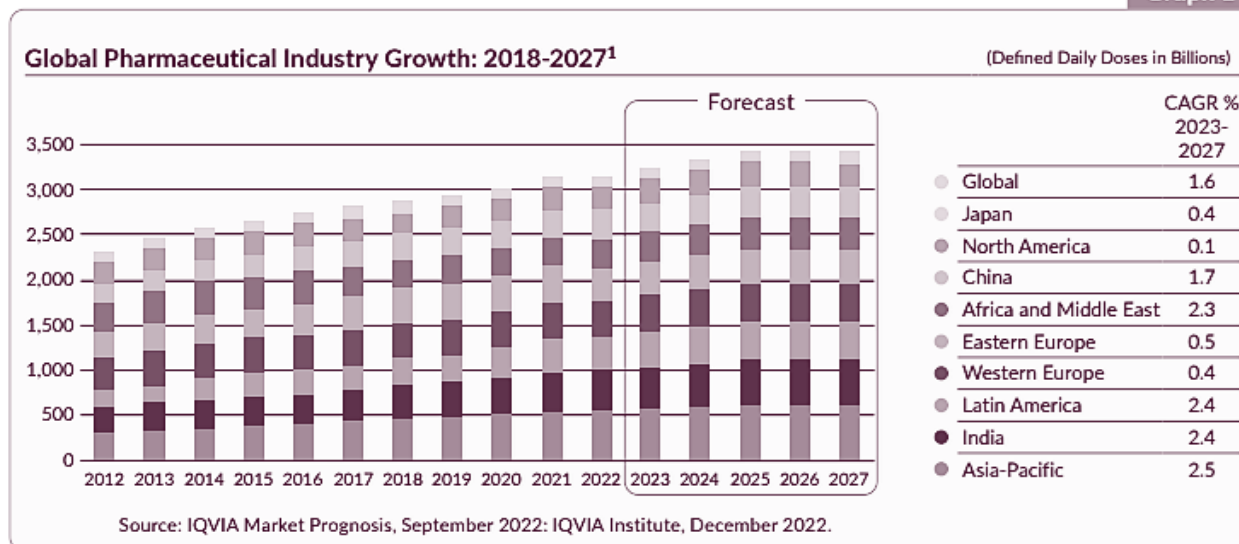
India remains the fastest-growing major economy, with international organizations and the Reserve Bank of India (RBI) providing positive assessments of its growth outlook for the current financial year.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The pharmaceutical industry is a major contributor to economic development and employment, and is known for creating high value-added products. It's also a rapidly evolving industry, with many companies investing heavily in research and development (R&D). It is among the top science-based industries in India with wide ranging capabilities in field of drug manufacture and technology ensuring quality and diversification. The Indian pharmaceutical industry is fragmented with more than 10,000 manufacturers in the organized and unorganized segments.

In 2023, the global pharmaceutical market had a compound annual growth rate (CAGR) of 5.27%. The total market was estimated at around \$1.6 trillion, which is over \$100 billion more than 2022. The global pharmaceutical manufacturing market is expected to reach \$863.6 billion by 2030, with a CAGR of 7.8%.

Graph 1



** Includes Argentina, Bangladesh, Brazil, Chile, China, Colombia, Egypt, Hungary, India, Indonesia, Mexico, Pakistan, Philippines, Poland, Romania, Russia, Saudi Arabia, South Africa, Taiwan, Turkey, Ukraine, and Vietnam.

Domestic pharmaceutical industry will likely hit \$57 billion by FY25, along with expansion in operating margins by 100-150 basis points (bps), according to a report by CareEdge Ratings. During FY18 to FY23, the Indian pharmaceutical industry has logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market. In FY23, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching \$49.78 billion. While exports grew a modest 3%, the domestic market increased 7% year-on-year. Among export markets, emerging markets remained relatively flat, while developed markets recorded an 8% growth in FY23. Exports to emerging markets were affected by the Russia-Ukraine conflict, scarcity of foreign currency in several African countries, and significant depreciation of local currencies. Despite facing pricing pressures in the US generics market, formulation companies managed to maintain their margins at around 22% in FY23. This was largely because of their focus on complex and specialty products. On the other hand, operating margins of APIs/bulk drugs companies contracted nearly 170 bps year-on-year, reaching approximately 18% in FY23. CareEdge ratings expects the pharmaceutical industry to grow at 7-8% in FY24-FY25, supported by a 6-7% growth in exports and an 8-9% growth in the domestic market during the same period. With the stabilisation of raw material prices, freight rates, and easing of pricing pressure in US generics market along with a focus on complex and speciality products, CareEdge Ratings expects the operating margin of industry players to improve by 100-150 bps over FY24- FY25 compared to FY23.

According to IQVIA's recent report on medicine usage, excluding COVID-19, the global medicine market is expected to grow at 3% to 6% CAGR through 2027, reaching about \$1.9 trillion. The highest volume growth over the next five years is expected in Asia-Pacific, Latin America, India, and Africa/Middle East, largely driven by population growth. Growth in developed countries will be led by innovative medicines, which should offset losses due to patent expiries and loss of exclusivities. (Refer Table 1) Oncology, the leading therapy area in terms of global spending, is forecasted to grow at higher than earlier predicted rates, with an estimated growth of 13% to 16% CAGR as it faces limited losses of exclusivity in the coming years. Another key growth area for medicines is biotech, which is estimated to represent 35% of global spending in the next five years.

Indian pharmaceutical industry is the 3rd largest in the world by volume and is USD 40 billion in terms of value. The country contributes 3.5% of total drugs and medicines exported globally. India exports pharmaceuticals to more than 200 countries and territories including highly regulated markets such as the USA, The UK, European Union, Canada etc. India has complete ecosystem for development and manufacturing of pharmaceuticals with companies having state of the art facilities, highly skilled/technical manpower. The country also has a number of renowned pharmaceutical educational and research institutes and a robust ecosystem of allied industries.

Major segments of Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics. India is a global leader in the supply of DPT, BCG, and Measles vaccines. India is one of the biggest suppliers of low-cost vaccines in the world. India accounts for 60% of global vaccine production, contributing up

to 70% of the WHO demand for Diphtheria, Tetanus and Pertussis (DPT) and Bacillus Calmette–Guérin (BCG) vaccines, and 90% of the WHO demand for the measles vaccine.

The nation is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is the leading vaccine manufacturer globally. India also has the highest number of US-FDA compliant Pharma plants outside of USA and is home to more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities as well as a highly skilled resource pool.

There are 500 API manufacturers contributing about 8% in the global API Industry. India is the largest supplier of generic medicines. It manufactures about 60,000 different generic brands across 60 therapeutic categories and accounts for 20% of the global supply of generics. Access to affordable HIV treatment from India is one of the greatest success stories in medicine. Because of the low price and high quality, Indian medicines are preferred worldwide, making it “pharmacy of the world”. 100% Foreign Direct Investment (FDI) in the pharmaceutical sector is allowed under the automatic route for greenfield pharmaceuticals. 100% FDI in the pharmaceutical sector is allowed in brownfield pharmaceuticals; wherein 74% is allowed under the automatic route and thereafter through the government approval route.

The pharmaceutical industry in India is expected to reach \$65 Bn by 2024 and to \$130 Bn by 2030. The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. The sector contributed to around 1.32% of the Gross Value Added (at 2011-12 constant prices) of the Indian Economy in 2020-21. The total annual turnover of Pharmaceuticals in the fiscal year 2021-22 was \$ 42.34 Bn. Major Segments of Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics. India is a global leader in the supply of DPT, BCG, and Measles vaccines.

Pharmaceutical sector has emerged as a favourite destination for the foreign investors and is one of the top ten attractive sectors for foreign investment in India.

The Pharmaceutical industry in Gujarat ranks number one in India with a 33% share in drug manufacturing and 28% share in drug exports. The state has 130 USFDA certified drug manufacturing facilities. Ahmedabad and Vadodara are considered as pharmaceutical hubs as there are many big and small pharma companies established in these cities.

Gujarat is one of the major states in India and has a significant presence in the pharmaceutical industry. The state has become a hub for the pharmaceutical industry, with several established companies such as Torrent Pharmaceuticals, Zydus Lifesciences, Cadila Pharmaceuticals, Alembic Pharmaceuticals, Sun Pharma, IntasPharmaceuticals, and Dishman Pharmaceuticals having operations in the state. Gujarat currently has around 5000 drug manufacturing units and contributes 42 percent of India's pharmaceutical turnover and 22 percent of its exports as of 2008. Over 52,000 individuals are employed in Gujarat's pharmaceutical sector, which has experienced a Compound Annual Growth Rate (CAGR) of 54 percent in capital investments over the last three years.

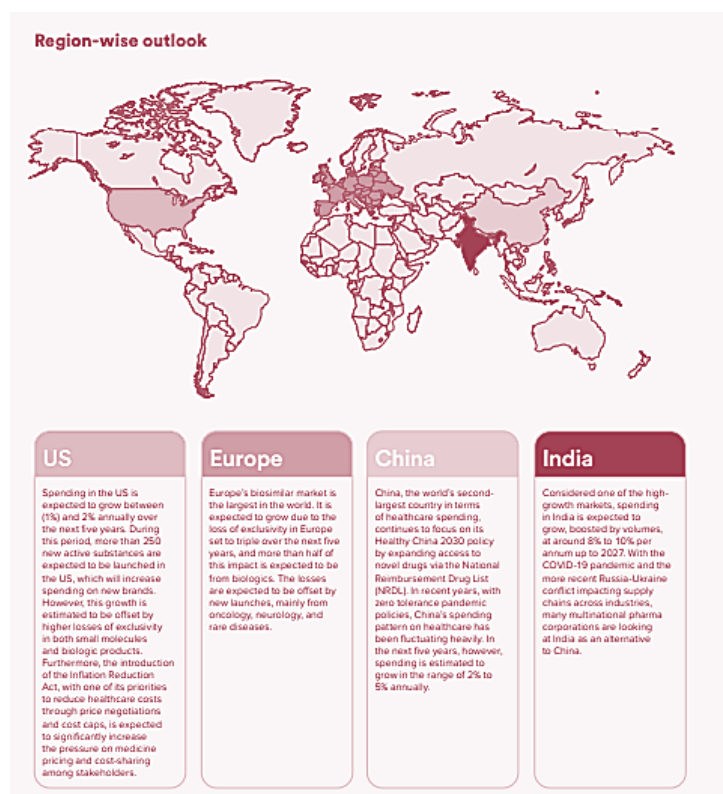
Gujarat's pharmaceutical industry holds a significant position in India, accounting for 40 percent of the country's total pharmaceutical production and 17 percent of its exports. The industry is valued at US\$ 5.5 Billion.

The Indian Pharmaceutical industry is witnessing healthy foreign direct investment, amalgamations and collaborations (such as licensing, co- development, joint distribution and joint ventures). Domestic manufacturers are looking to tap into international generic market which provide high margins. The number of Abbreviated New Drug Applications (ANDA) to the US FDA is also increasing every year. The Industry is witnessing a paradigm shift as the focus is shifting from the manufacturing of generic drugs to drug discovery and development (Glenmark, Sun Pharma, Cadilla Healthcare and Piramal Life Sciences, had applied for conducting clinical trials for numerous new drugs). With the passage of the New Drugs and Clinical Trial Rules, 2019 (“CT Rules”) the clinical trial sector is also growing steadily with many choosing India as one of the trial sites when conducting global clinical trials. Reportedly, India’s clinical trials market is expected to reach \$3.15 billion by 2025.

GOVERNMENT INITIATIVES:

The Indian pharmaceutical constitutes 3.4% market share of the global pharma industry. If the Industry adopts a business-as-usual approach, the market value would grow to around 108 billion USD by 2030 with 11% CAGR. The global pharma market positioned at 1230 bn USD in 2020, is expected to grow to 3206 bn USD by 2030 at a Compound Annual Growth Rate of 8.5%.

It is envisioned that a focus on growth enablers can help India grab a 4% market share reaching 130 bn USD market size and a 5% market share will position India at 160 bn USD.



Pharmaceutical sector requires continued research to remain competitive. However, to leapfrog substantive measures are needed to venture into new areas to garner more value to the product and achieve increased exports. Expansion of the industry's presence in the innovation accounts for 2/3rd of the global pharmaceuticals opportunities.

Indian pharma industry has largely remained confined to generic drugs where they are holding global leadership. The total amount spent on pharma R&D in terms of USD bn in US is 50-60, China is 15-20 and in India it is ~3. In the financial year 2021, the investments in R&D by the top ten Indian Pharma Companies amounted around 7.2% of their sales. There is a need to increase the R&D expenditure in the country by further promoting the research and innovation. There is urgent need to shift the focus to new areas where future trajectory of pharma industry lies. Accordingly, six moon-shot (priority) areas have been identified which hold potential for the future and will help industry to leapfrog in these areas.

To ensure greater resilience to external shocks, enforce greater drug security and boost the capacity for domestic production for critical bulk drugs and high-value products alike, the Department of Pharmaceuticals has launched supporting schemes to incentivize the global

and domestic players to enhance investment and production in these product categories.

The Schemes are envisioned to ensure greater resilience of the Indian pharmaceutical industry to external shocks and contribute significantly to achieving a higher objective of affordable healthcare in the country and globally on a sustained basis.

The objective of the government is to transform Indian Pharma MedTech sector from cost based to innovation-based growth by strengthening the research infrastructure in the country. The aim of the scheme is to promote industry academia linkage for R&D in priority areas and to inculcate the culture of quality research and nurture our pool of scientists. This will lead to sustained global competitive advantage and contribute to quality employment generation in the country

OUR BUSINESS:

Sotac Group is a leading pharmaceutical manufacturer in India. We specialize in manufacturing a wide range of pharmaceutical products having a therapeutic portfolio including anti-diabetic, anti-psychotic, vitamins, minerals, iron, anti-cold, anti-allergic, dermatological products, antacid, anti-ulcerants, PPI, anti-emetics, cardiac, anti-hypertensives, analgesic, anti-pyretic, anti-inflammatory, anti-bacterial, anti-viral, general antibiotics (IP-Lactams & Non-IP-Lactams), anti-fungal, and cephalosporin. We are committed to providing high-quality products at an affordable cost to healthcare professionals. We also aspire to be one of the leading contract manufacturing and development services providers in the country, both domestically and internationally.

We are well-managed pharmaceutical company having a strong track record and are committed to delivering innovative, high-quality pharmaceutical products that improve the lives of patients. We have a wide product portfolio with a focus on innovative products. Our products are supplied across 14 major states in India and we export our products to over 20 countries worldwide. Our company's offshore business revenue is primarily derived from the US market.

Our past and present clientele includes renowned pharma marketers and manufacturers such as Cadila Pharma, J. B. Chemical, Lincoln Pharma, Intas Pharma, Viatrix (Mylan), Makers (Ipca), Corona Remedies, Eris Lifesciences, Stride Pharma, Stalion

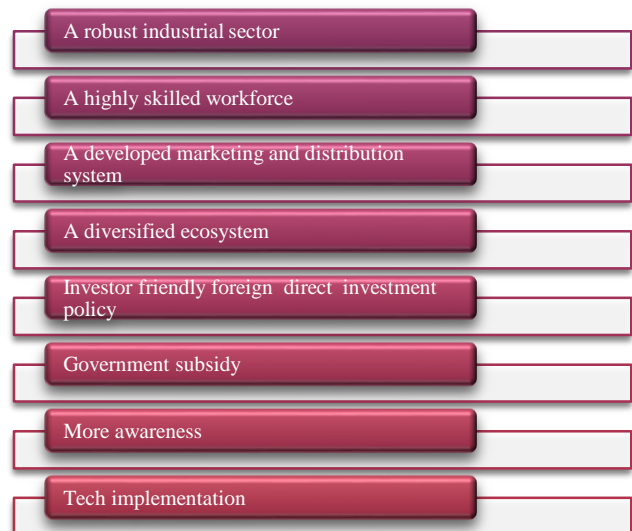
Pharma, Acme Pharma, Olecare Pharma, Treatwell Pharma, Ronak Healthcare, Curever Pharma, Kentoss Pharma, Sunrest Pharma, and Ishan Healthcare.

Sotac Group is committed to providing quality products and services to its customers. The company is constantly striving to expand its line of products and is always looking for complementary products that will add to its range of products.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Following is an overview of our business verticals:

- a) Manufacturing of Non-Beta-Lactam Medicines and Formulations: Under this vertical, we manufacture Non Beta-Lactam (general) tablets, Non Beta-Lactam (general) capsules, oral liquid, dry syrup and external preparations such as Ointment, Lotion and cream manufacturing facility of SOTAC Pharmaceuticals Limited. We undertake manufacturing activities for pharmaceutical marketers on contract manufacturing and/or loan licence basis. We cater over 162 corporate clients on loan licence / contract manufacturing basis.
- b) Manufacturing of Beta-Lactam Medicines and Formulations Under this vertical, we manufacture beta-lactam tablets, beta-lactam uncoated tablets, beta-lactam capsules and uncoated beta-lactam capsules, oral liquid and dry syrup at manufacturing facility of SOTAC Healthcare Private Limited. We undertake manufacturing activities for pharmaceutical marketers on contract-manufacturing and/or loan licence basis. Our Beta-Lactam manufacturing at SOTAC Healthcare Private Limited is installed with capacity to manufacture 32.40 crores tables / year, 21.60 crore Capsules / year, and 2.16 crore Dry Syrup bottle / year. We cater over 162 Corporate Clients on loan licence / contract manufacturing basis.
- c) Molecule Research & Development Under this vertical, we do research of pharmaceutical molecules used in developing new pharmaceutical formulations.
- d) Manufacturing of Nutraceuticals medicinal products and food products We hold majority of holding in SOTAC Lifescience Private Limited. It is newly incorporated company engaged in the business of Manufacturing of Nutraceuticals products and food products on contract-manufacturing basis.



PRODUCT CATEGORY WISE REVENUE BIFURCATION:

The revenue bifurcation of the issuer company for the last three years are as follows:

(Rs. in Lakhs)

Name of product category	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	Sales	%	Sales	%	Sales	%
Tablet	6,339.19	94.47%	5202.91	89.73%	5,757.96	78.71%
Capsules	324.21	4.48%	549.01	9.47%	772.17	10.56%
Ointment	8.86	0.13%	12.70	0.22%	268.64	3.67%
Liquid	38.25	0.57%	33.66	0.58%	516.40	7.06%
Total	6,710.50	100.00%	5798.28	100.00%	7,315.17	100.00%

OPPORTUNITIES:

The cost of manufacturing pharmaceutical goods in India is lower and more effective compared to other nations, including:

- **A robust industrial sector:** India has a strong manufacturing base, which provides the pharmaceutical industry with access to a wide range of raw materials and components at competitive prices.
- **A highly-skilled workforce:** India has a large pool of skilled workers who are trained in the pharmaceutical sciences. This helps to keep labor costs down and ensures that the pharmaceutical industry has access to the talent it needs to produce high-quality products.
- **A developed marketing and distribution system:** India has a well-developed marketing and distribution system that allows pharmaceutical companies to reach a wide range of customers at a relatively low cost.
- **A diversified ecosystem:** The Indian pharmaceutical industry is supported by a number of different organizations, including government agencies, academic institutions, and private companies. This helps to create a strong and vibrant ecosystem that drives innovation and growth.
- **Investor-Friendly Foreign Direct Investment (FDI) Policy:** The government has made it easier for foreign investors to invest in the pharmaceutical sector in India, allowing 100% foreign direct investment (FDI) under the automatic route.
- **Government Subsidy:** The countries' governments have always shown friendliness to the pharma sectors to develop and invest more. As a result, we can see the investment has grown significantly, as well as helping giant companies to set up factories in developed and developing countries to build a positive brand image.
- **More Awareness:** The medicines are still a mystery to millions of people. As the drugs and treatments are getting expensive, healthcare is still out of hand for most people, and awareness level is getting lower. The industry has the opportunity to help people get to know better about medicines, fake medicines and other issues through PR campaigns.
- **Tech Implementation:** Technology has been a blessing and an excellent addition to developing more effective and efficient medicines. It saves a ton of lives, as well as easier the pain for millions of patients. As a result, we can see the advanced treatment for major diseases, cancers, kidney disorders and etc.

Threats:

However, there are also some challenges facing the Indian pharmaceutical industry, including:

- **A lack of investment in research and development:** The Indian pharmaceutical industry is not as heavily invested in research and development as some other countries. This could limit the industry's ability to innovate and develop new products.
- **A lack of collaboration between industry and academia:** The Indian pharmaceutical industry could benefit from more collaboration between industry and academia. This would help to ensure that the industry has access to the latest research and development findings.
- **The manufacturing of low-cost, low-quality medications:** There is a risk that some companies in the Indian pharmaceutical industry may focus on manufacturing low-cost, low-quality medications. This could damage the reputation of the Indian pharmaceutical industry and make it more difficult for companies to export their products.
- **Electricity Crisis:** One significant reason for the rising cost of medicines is the electricity crisis. Companies and manufacturers consume so much energy that they have to increase the price as the electricity bill increases. In 2024, the price and manufacturing cost might rise from 25% to 36% and maybe more, and it will affect the entire industry significantly, which has become a massive issue.
- **Resource Short Supply:** The pharma industry is going through a substantial short supply in every sector. As a result, it significantly delayed the overall operations of many companies, and the development of new medicines is also getting delayed. It is hampering the overall industry and causing the companies' money, time and energy.

- **Fewer Entry Barriers:** The competition in this industry might be challenging, but the entry barriers aren't. That single factor alone created many issues in the entire industry, such as supply chain disruption, raw material shortage, fake products, etc. These issues were getting bigger every day and became a massive threat for the industry to regulate.
- The company has been consistently taking steps to enhance its research and development units. This includes investing in new technologies, hiring top talent, and creating a culture of innovation which is evident in its growing portfolio of products and its expanding presence in the market.
- We are committed to providing high-quality pharmaceutical products to our clients. We have a rigorous quality control system in place, and we are constantly investing in new technologies to improve our manufacturing processes. We are also committed to providing our clients with excellent customer service.

OUR COMPETITIVE STRENGTH:

1. Experienced Promoters and Management Team Our promoters have combined experience of 60 years in pharmaceuticals

manufacturing industry. Our Promoters lead the company with their vision. Majority of our core promoters have medical educational background and have vast experience in the business undertaken by the Company. Encashing the expertise, they look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving steady growth of our company and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complements each other to enable us to deliver high levels of client satisfaction.



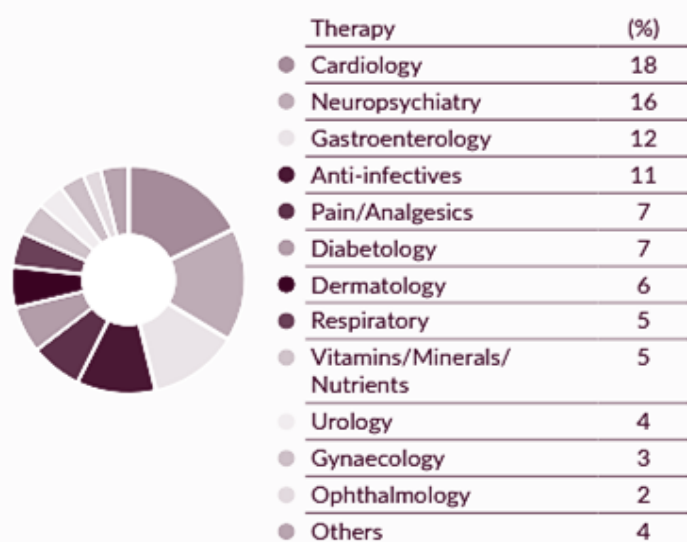
2. Wide range of Products We along with our subsidiary companies deal in Non-Beta-Lactam (general) tablets, beta-lactam tablets, Non BetaLactam (general) capsules, beta-lactam capsules, oral liquid, dry syrup and external preparations such as nasal spray, relief spray and

cream through SOTAC Pharmaceuticals Limited and SOTAC Healthcare Private Limited. Our group's therapeutical product portfolio consists of Anti-Diabetic, Anti-Psychotic, Vitamins, Minerals, Iron, AntiCold, Anti-Allergic, Derma Products, Antacid, Anti-Ulcerants, PPI, Anti-Emetics, Cardiac, Anti-Hypertensives, Analgesic, Anti-Pyretic, Anti-Inflammatory, Anti-Bacterial, Anti-Viral, General Antibiotics IP-Lactams & Non-IPLactams, Anti-Fungal, Cephalosporin. Our group's existing product portfolio consists of over 119 products. Out of total products, 109 are non-Beta-lactam formulation and 43 are beta-lactam preparation. Besides, our company has manufacturing permission for 329 products under license number G/25/2169 and 45 products under license number G/28/1587 from Food & Drug department for SOTAC Pharmaceuticals Limited. Further, under the same licenses, we are permitted to sale 34 Products in our name in offshore market also. Our manufacturing units manufacture 56 under our own brands for Domestic market and 14 products are majorly sold in USA. Our 71% subsidiary company has manufacturing permission for around 335 products under license number G/28/1755 from Food & Drug department for SOTAC Healthcare Private Limited. Further, under the same licenses, we are permitted to sale 3 Products in our name in offshore market also.

3. Strategic Location of Manufacturing Facilities Our group's manufacturing facilities are WHO-GMP accredited. SOTAC Pharmaceuticals Limited is also registered in USA with DUNS number. Our manufacturing units are located at Sanand GIDC II located in the outskirts of Ahmedabad district in Gujarat. The Industrial estate is developed by GIDC and enjoys good infrastructure facilities like electricity, water, roads, easy procurement of labour, raw material suppliers and market for finished products. With this we are concentrating on expanding the production capacity and adding new products in our product portfolio. Further, state of Gujarat has highest number of contracts manufactures for pharmaceutical products and Gujarat has good connectivity for inland and offshore transport, this gives us a locational advantage.

4. Scalable Business Model Our business model is customer centric, and order driven. It requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets and products both domestic and international by exploring customer needs, marketing expertise and by maintaining the consistent quality output. Our manufacturing facility at SOTAC Pharmaceuticals Limited is installed with capacity to manufacture 360 Crore tablets / year, 32.40 Crore Capsules / year, 2160 Kilo Litter syrup / year and 324 Tons external preparation / year. Further our BetaLactam manufacturing at SOTAC Healthcare Private Limited is installed with capacity to manufacture 32.40 crores tablets / year, 21.60 crore Capsules / year, and 2.16 crore Dry Syrup bottle / year. Considering our existing capacity utilisation, we believe that our business model is scalable.
5. Quality assurance we believe that quality is an ongoing process of building and sustaining relationships. Our manufacturing units ensures highest level of quality assurance. Our group's manufacturing facilities are WHO-GMP accredited. In past, the manufacturing facility was also accredited with Kenya PPB and Ivory Coast. SOTAC Pharmaceuticals Limited is also registered in USA with DUNS number.

India Business Therapeutic Revenue Break-Up⁴ (%)



2. Professional Management
3. Timely completion of Orders
4. Customer care
5. Brand Equity

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has a comprehensive system of internal financial controls that is appropriate for its size and operations. This system ensures timely and accurate financial reporting, the safeguarding of assets, and compliance with all applicable laws and regulations. The company's internal auditors regularly review the internal financial control system to ensure its effectiveness, and any necessary changes or suggestions are incorporated into the system. The internal audit reports are also reviewed by the company's audit committee.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The key strategy will be focused around:

1. Financial strength & liquidity

Financial Performance and Review of Operations:

(Rs. in Lakhs)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	6,710.50	5,798.28	10,383.05	7,748.32
Other Income	131.87	24.31	48.62	34.96
Total Income	6,842.37	5,822.59	10,431.67	7783.28
Less: Total Expenses before Depreciation, Finance Cost and Tax	5691.03	4977.48	9,531.51	7023.3
Profit before Depreciation, Finance Cost and Tax	1151.34	845.11	900.16	760
Less: Depreciation	251.11	162.53	310.05	227.78
Less: Finance Cost	101.34	86.13	170.34	197.55
Profit Before Prior Period Items and Tax	798.89	596.45	419.77	392.67
Prior Period Items	(23.38)	-	(23.38)	

Less: Current Tax	212.64	168.39	212.64	168.39
Less: Deferred tax Liability (Asset)	(8.22)	(21.49)	(170.39)	(4.33)
Less: Income Tax Prior period	(3 .79)	-	(3.79)	-
Profit After Tax	574.88	449.55	357.93	228.61

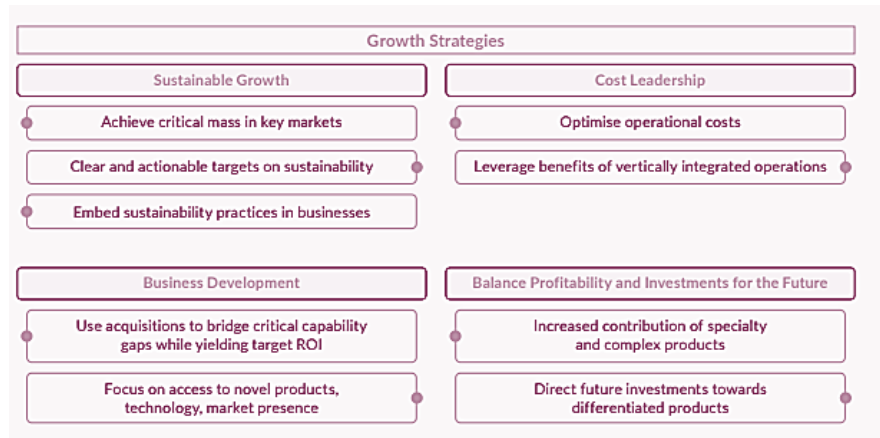
OUTLOOK:

Company strongly believes in future growth of company for which company has different growth strategies such as:

a) Sustainable growth;

Company promotes sustainable growth through:

- Achieve critical mass in key markets.
- Clear and actionable targets on sustainability.
- Embed sustainability practices in businesses.



b) Cost Leadership;

Company is strategising cost leadership by:

- Optimise operational costs.
- Leverage benefits of vertically integrated operations.

c) Business Development;

Company is planning its development by:

- Focusing on access to novel products, technology, market presence

d) Balance Profitability and Investments for the Future;

- Increased contribution of specialty and complex products.
- Direct future investments towards differentiated products.

These steps will help the company to reinforce its competitive advantages and to achieve its growth goals. We envision a future where Sotac Group is a leading domestic and international provider of pharmaceutical products and services. We are committed to developing innovative new products, expanding our global footprint, and strengthening our brand. We believe that we have the potential to make a significant impact on the lives of patients around the world.

The domestic pharmaceutical industry is facing a number of challenges. One challenge is the product patent policy, which has made it more difficult for domestic companies to develop new drugs. Another challenge is the Drug Price Control Order, which has put downward pressure on drug prices. The new MRP-based excise duty structure has also put a greater burden on small pharmaceutical companies. Additionally, the pharmaceutical industry in India is highly fragmented, making it difficult for companies to achieve economies of scale. The industry is also facing rising competition from both domestic and international companies. Finally, the Indian business environment is becoming increasingly uncertain, making it difficult for pharmaceutical companies to plan for the future.

The company believes that it has a great deal of opportunities for future growth in the pharmaceutical industry. There is enormous untapped potential in its established brand equity, target geographies, and diversified product portfolio. To capitalize on these growth drivers, the company is taking several steps, including:

- Developing new products that meet the needs of patients and physicians.
- Improving the packaging of its products to make them more appealing to patients and to protect them from tampering.

- Investing in research and development to develop new products and to improve the efficacy and safety of its existing products.
- Expanding its retail presence to reach more clients.
- Improving its design abilities to create more appealing and effective packaging.
- Improving its inventory management to ensure that it has the right products in the right place at the right time.

The company is also concerned about a number of factors. One factor is the prevailing exposure norms, which limit the amount of debt that the company can take on. Another factor is the company's financial position, which is not strong. The company is also concerned about the entry of new players in the market, as this will increase competition. Additionally, the company is concerned about the rising competition from banks and multilateral agencies, which are providing financing to pharmaceutical companies. Finally, the company is concerned about the uncertain business environment, as this makes it difficult to plan for the future.

The company is taking a number of steps to address these challenges. One step is to invest in R&D to develop new drugs. Another step is to improve the company's manufacturing processes to reduce costs and improve efficiency. The company is also expanding its distribution network to reach more customers. Finally, the company is building its brand image to attract new customers and to retain existing customers.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The company's relationship with its employees remained cordial and harmonious. The company considers its employees to be its most valuable asset, and they have been the driving force behind the company's growth and expansion. The company acknowledges that its employees are its principal assets, and it has continued to make efforts to build a diverse and inclusive workforce.

As of March 31, 2024, the company had a total of 68 employees on its rolls, including factory workers. The company will continue to create opportunities and ensure that it recruits diverse candidates without compromising on merit.

KEY FINANCIAL RATIOS:

Ratio	Figures as At 31.03.2024	Figures as At 31.03.2023	% Change From Last Year	Explanation for Change in Ratio (for more than 25% in comparison with last year)
Current Ratio (in times)	2.01	1.35	48.74%	During the year, Company received money against the share allotment which is disclosed in the Cash and Cash Equivalents, on account of that current assets increased in current year from previous year, since current ratio improved.
Debt-Equity Ratio (in times)	0.23	0.93	(75.00%)	During the year 2023-24 , total Equity has been Increased as Compare to the Previous Year from 1151.98 to 4827.44 but total debts has not been increased in the ratio of total Equity ,due to that Debt-Equity ratio has been decreased from 0.93 to 0.23.
Debt Service Coverage Ratio (in times)	3.61	7.99	(54.88%)	During the year 2023-24 , Installments has been Increased as Compare to the Previous Year from 98.77 to 257.18 but Earning Available for debt has not been increased in the ratio of Installments ,due to that Debt-Service Coverage ratio has been decreased

				from 7.99% to 3.61%
Return on Equity Ratio (in %)	19.23%	48.29%	(60.18%)	During the year 2023-24 , Average Equity has been Increased as Compare to the Previous Year from 930.95 to 2989.71 but Net After Tax has not been increased in the ratio of Average Equity ,due to that Debt-Equity ratio has been decreased from 48.29% to 19.23%.
Inventory Turnover Ratio (in times)	4.39	5.35	(18.00%)	-
Trade Receivables Turnover Ratio (in times)	4.01	4.82	(16.98%)	-
Trade Payables Turnover Ratio (in times)	2.83	2.33	21.48%	-
Net Capital Turnover Ratio (in %)	2.86	6.11	(53.19%)	During the Year 2023-24, Net Working Capital has been Increased from 949.29 to 2346.81 but Revenue from operation has not been Increased as compared to the Increase in Net working capital due to that Net Capital Turnover ratio has been declined.
Net Profit Ratio (in %)	8.57%	7.75%	10.49%	-
Return on Capital Employed (in %)	17.09%	37.68%	(54.66%)	During the Year 2023-24,Capital Employed has been Increased from 1811.33 to 5268.38 but Earnings before Interest and Taxes has not been Increased as compared to the Increase in Capital Employed due to that Return on Capital Employed ratio has been declined.
Return on Investment (in %)	N.A.	N.A.	-	-

CAUTIONARY STATEMENT:

Statement in this report describing the Company's objectives projections estimates and expectation may constitute "forward looking statement" within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumption and expectations of future events. These Statements are subject to certain risk and uncertainties. The Company cannot guarantee that these assumption and expectations are accurate or will be realized. The actual results may different from those expressed or implied since the Company's operations are affected by many external and internal factors which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments information or events.

Registered office:

Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110

For and on behalf of Board of Directors
Sotac Pharmaceuticals Limited
CIN: L24230GJ2015PLC085451

Place: Ahmedabad
Date: August 28, 2024

Sd/-
Sharadkumar Dashrathbhai Patel
Chairman & Managing Director
DIN: 07252252

Sd/-
Dineshkumar Babulal Gelot
Whole time Director
DIN: 07252132

SECRETARIAL AUDIT REPORT OF SOTAC PHARMACEUTICALS LIMITED**FORM NO. MR-3****for the financial year ended March 31, 2024***[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
SOTAC PHARMACEUTICALS LIMITED
(CIN: U24230GJ2015PLC085451)
Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sotac Pharmaceuticals Limited** (hereinafter called “the **Company**”) for the Financial Year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i.** The Companies Act, 2013 (“the Act”) and the rules made there under as applicable;
- ii.** The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- iii.** The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv.** Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v.** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - a)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and circulars/ guidelines/Amendments issued there under;
 - b)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines/Amendments issued there under;
 - c)** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/ guidelines/Amendments issued there under; and
 - d)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/ guidelines/Amendments issued there under.
 - e)** The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (to the extent applicable)
- vi.** Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:-We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws, Regulations and Rules made thereunder as is specifically applicable to the Company:

1. Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945
2. Drugs (Prices Control) Order, 2013
3. National Pharmaceuticals Pricing Policy, 2012
4. Drug Policy, 2002
5. Food Safety and Standards (Labelling and Display) Regulations 2020
6. Food Safety and Standards (Packaging) Regulations 2018

During the year under the report, the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances, have been complied by the Company except:

1. Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.

Company got listed on April 13, 2023 Company purchased Software on May 23, 2023. Company maintained SDD software in Excel for 42 days. We cannot comment on SDD entry made for UPSI dated April 29, 2023 for new Purchase order of Approx. Rs. 4.24 Crores received by Subsidiary Company and May 11, 2023 for Additional investment in Subsidiary Company by way of subscription towards Rights Issue, as data maintained in excel does not have Audit Trails such as Time Stamping.

We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said laws.

Further, during the period under review, provisions of the following Acts, Rules, Regulations and Standards were not applicable to the Company,

- i. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and circulars/ guidelines/Amendments issued there under;
- ii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Kfin Technologies Private Limited as Registrar & Share Transfer Agent as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- iv. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings.

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Independent Directors and Woman Director. The changes in the composition of the Board of Directors / appointment / re-appointments of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Since none of the members have communicated dissenting views in the matters / agenda proposed from time to time for consideration of the Board and Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that -

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

There was no event/action which had major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards, etc.

We further report that during the period under review-

1. The Company filed Prospectus to the Registrar of the Company, Ahmedabad on April 08, 2023. The Public Issue was opened on March 29, 2023 and closed on April 3, 2023. The Basis of Allotment was finalized by Company, Registrar to the issue and merchant banker in consultation with the National Stock Exchange of India Limited on August 10, 2023. The Company had applied for listing of its total equity shares to NSE and was granted its approval vide its letter dated April 12, 2023. The trading of equity shares of the Company commenced on April 13, 2023 at EMERGE Platform of National Stock Exchange of India Limited.
2. The Company had allotted total 3000000 (Thirty Lakh) Equity Shares Rs. 10/- (Rupees Ten Only) each at price of Rs. 111/- (Rupees One Hundred Eleven Only) per Equity Share [Including a share premium of Rs. 101/- (Rupees One Hundred One Only) Per Equity Share] pursuant to Initial Public Offer in its board meeting held on April 10, 2023 and got listed on Emerge Platform of National Stock Exchange of India Limited on April 13, 2023.
3. The Company had made further investments of Rs. 5,10,00,000 in Sotac Lifesciences Private Limited (Subsidiary Company) by way of Subscription to 51,00,000 (Fifty-One Lacs Only) fully paid up equity shares of face value Rs.10/- (Rupees Ten each) each through Rights issue, pursuant to which the Companies holding increased from 51.00% to 51.26 %.

For, SCS and Co. LLP

Company Secretaries

Firm Registration Number: L2020GJ008700

Peer Review Number: 5333/2023

Sd/-

Anjali Sangtani

Partner

M. No. : A41942, COP: 23630

UDIN: A041942F001061257

Date: August 28, 2024

Place: Ahmedabad

Note: This Report is to be read with my letter of even date which is annexed as **Annexure I** and this Annexure form integral part of this report.

To,
The Members,
SOTAC PHARMACEUTICALS LIMITED
(CIN: U24230GJ2015PLC085451)
Plot No. PF-21, Nr. Acme Pharma,
Opp. Teva Pharma Sanand GIDC-II,
Sanand, Ahmedabad-382110, Gujarat.

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

1. Maintenance of secretarial records 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 secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us 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. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, SCS and Co. LLP
Company Secretaries
Firm Registration Number: L2020GJ008700
Peer Review Number: 5333/2023

Sd/-
Anjali Sangtani
Partner
M. No. : A41942, COP: 23630
UDIN: A041942F001061257

Date: August 28, 2024
Place: Ahmedabad

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sotac Pharmaceuticals Limited
(Formerly Known As Sotac Pharmaceuticals Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Sotac Pharmaceuticals Limited (Formerly Known As Sotac Pharmaceuticals Private Limited)** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises of the Consolidated Balance sheet as at 31st March,'24 and the Consolidated statement of Profit and Loss, and Consolidated Statement of Cash flows for the period then ended, and Notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our knowledge and according to the explanations given to us, the aforesaid Consolidated Financial Statements gives the information required by the Companies Act, 2013, in the manner so required, and gives 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, 31st March,'24 of their Consolidated statement of Profit and Loss, and their Consolidated Statement of Cash flows for the period ended 31st March,'24.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of for the financial year ended 31st March, '24. 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 and there is no any Key Audit Matter which need to be reported.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position and Consolidated financial performance and consolidated cash flows, of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statement, that gives a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group 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 are responsible for overseeing the financial reporting process of the Group.

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

Our objective is 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 and appropriate audit evidence regarding the financial information of the 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 the financial statements of such entities included in the Consolidated Financial Statements of which we are Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the period ended 31st March, '24 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did audit of the financial statements / financial information of 3 subsidiary, whose financial statements / financial information reflect total assets of Rs.4,738.74 Lakhs as at 31st March,'24, revenue from operation of Rs. 4,615.60 Lakhs and net cash flows amounting to Rs. 421.86 Lakhs for the period ended on 31st March,'24, as considered in the consolidated financial statements. This financial statements / financial information has been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 Statement have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statement.
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March,'24 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March,'24 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over with reference to these consolidated financial statements of the holding company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary companies incorporated in India.
 - iv. a) The respective management of the holding company and its subsidiary company which in incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the respective Holding Company or such subsidiary company ("Ultimate Beneficiaries") or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b) The respective management of the holding company and its subsidiary company which in incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in to the consolidated financial statements, no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party

or

- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatements.
- v. The dividend has not been declared or paid during the year by the Company. Hence, compliance of the Section 123 of the Act is not applicable.
- (h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
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 period 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) of the Act which are required to be commented upon by us.
- (i) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

SD/-

Keyur Shah
Proprietor
Membership No.: 153774
UDIN: 24153774BKBNWQ6942

Date: 17th May, '24
Place: Ahmedabad

With reference to the “Annexure A” referred to in the Independent Auditors’ Report to the members of the Holding Company, Subsidiary companies in incorporated in india on Consolidated Financial Statements for the year ended 31st March,’24, We report the Following:

According to the information and explanations given to us, companies incorporated in India and included in the Consolidated Financial Statements, there have been no remarks included in their reports under Companies (Auditor’s Report) Order, 2020 (“CARO”), which have been reproduced as per the requirements of the Guidance Note on CARO 2020, issued by Institute of Chartered Accountants of India.

“Annexure B” to the Independent Auditor’s Report of even date to the members of **Sotac Pharmaceuticals Limited (Formerly Known As Sotac Pharmaceuticals Private Limited)** on the Consolidated Financial Statements for the period ended 31st March, ‘24

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated Financial Statements of Sotac Pharmaceuticals Limited (Formerly Known As Sotac Pharmaceuticals Private Limited) as of and for the period ended 31st March,’24, we have audited the internal financial controls over financial reporting of Sotac Pharmaceuticals Limited (Formerly Known As Sotac Pharmaceuticals Private Limited) (hereinafter referred to as the “Holding Company”) and its subsidiary, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by “ICAI”, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to these Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company, its subsidiary, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to

these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at 31st March,'24, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Other report under Section 143(3)(i) of Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to those Consolidated Financial Statement of the Holding Company, in so far as it relates to separate financial statement of 3 subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

SD/-

Keyur Shah
Proprietor
Membership No.: 153774
UDIN: 24153774BKBNWQ6942

Date: 17th May, '24
Place: Ahmedabad

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
CIN : U24230GJ2015PLC085451
Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Consolidated Balance Sheet as at 31st March '24

(Amount in Lakhs)

Particulars	Sch. No.	As at 31st March '24	As at 31st March '23
I. Equity and Liabilities			
Equity			
(a) Share Capital	2	1,105.00	805.00
(b) Reserves and Surplus	3	3,420.92	193.88
Total Equity		4,525.92	998.88
Share application money pending allotment	4	-	947.05
Minority Interest		406.95	22.62
Non-Current Liabilities			
(a) Long-Term Borrowings	5	1,213.11	776.89
(b) Deferred Tax Liabilities (Net)	6	-	27.71
(c) Long Term Provisions	7	13.71	9.59
Total Non-Current Liabilities		1,226.82	814.19
Current Liabilities			
(a) Short-Term Borrowings	8	1,272.77	1,426.99
(b) Trade Payable	9		
i) Total outstanding dues of micro enterprise and small enterprise		1,429.38	527.36
ii) Total outstanding dues other than micro enterprise and small enterprise		1,459.99	2,012.00
(c) Other Current Liabilities	10	133.15	408.77
(d) Short-Term Provisions	11	77.71	206.04
Total Current Liabilities		4,373.00	4,581.16
Total Equity & Liabilities		10,532.69	7,363.90
II.Assets			
Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets	12		
(i) Property, Plant & Equipment		3,359.50	2,400.89
(ii) Intangible Assets		1.30	0.34
(iii) Capital work In -Progress		512.43	4.06
(iv) Goodwill on Consolidation		190.13	190.59
(b) Non-Current Investments	13	209.61	-
(c) Deferred Tax Assets (Net)	14	142.66	-
(b) Long Term Loans and Advances	15	52.52	54.15
Total Non-Current Assets		4,468.15	2,650.03

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
CIN : U24230GJ2015PLC085451
Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Consolidated Balance Sheet as at 31st March '24

(Amount in Lakhs)

Particulars	Sch. No.	As at 31st March '24	As at 31st March '23
Current Assets			
(a) Inventories	16	1,801.00	1,364.24
(b) Trade Receivables	17	2,628.77	1,474.06
(c) Cash and Cash Equivalents	18	341.78	968.16
(d) Short-Term Loans And Advances	19	16.80	1.00
(e) Other Current Assets	20	1,276.19	906.41
Total Current Assets		6,064.54	4,713.87
Total Assets		10,532.69	7,363.90

Summary of significant accounting policies

1

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

SD/-

Keyur Shah

Proprietor

M No. : 153774

For, Sotac Pharmaceuticals Limited

SD/-

Sharad Patel

Managing Director

Din No-07252252

SD/-

Dinesh Gelot

Whole time Director

Din No-07252132

SD/-

Brijeshkumar Patel

Chief Financial Officer

SD/-

Niyati Parikh

Company Secretary

M No. : F12289

Place: Ahmedabad

Date: 17th May '24

Place: Ahmedabad

Date: 17th May '24

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Profit & Loss Statement For The Year Ended 31st March '24

(Amount in Lakhs)

Sr. No	Particulars	Sch. No.	For the year ended 31st March '24	For the year ended 31st March '23
Incomes				
I	Revenue from operations	21	10,383.05	7,748.32
	Other Income	22	48.62	34.96
	Total Income		10,431.67	7,783.28
II Expenses:				
	Cost of Material Consumed	23	7,775.69	6,115.23
	Purchase of Stock in Trade	24	261.58	52.64
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(76.10)	(440.96)
	Employee Benefit Expense	26	399.57	422.70
	Financial Costs	27	170.34	197.55
	Depreciation and Amortization Expense	12	310.05	227.78
	Other total Expenses	28	1,170.77	873.69
	Total Expenses		10,011.90	7,448.63
III	Profit before Prior Period Items items and tax (I-II)		419.77	334.65
IV	Prior Period Items		23.38	(58.02)
V	Profit (Loss) before Tax (VII-IX)		396.39	392.67
VI Tax expense:				
	(1) Current tax		212.64	168.39
	(2) Reversal of Deferred tax		(170.39)	(4.33)
	3) Income Tax Prior Period		(3.79)	
VII	Net Profit/ (Loss) After Tax for the Period (V - VI)		357.93	228.61
	Share of Minorities In Subsidiary Companies (Loss)/Profit		(70.20)	(59.32)
VIII	Profit/(Loss) for the period		428.13	287.93
IX Earnings per equity share of Rs. 10/- each (in Rs.)				
	(1) Basic	31	3.90	3.58
	(2) Diluted		3.90	3.58

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

SD/-
Keyur Shah
Proprietor
M No. : 153774

For, Sotac Pharmaceuticals Limited

SD/-	SD/-
Sharad Patel Managing Director Din No-07252252	Dinesh Gelot Whole time Director Din No-07252132

SD/-	SD/-
Brijeshkumar Patel Chief Financial Officer	Niyati Parikh Company Secretary M No. : F12289

Place: Ahmedabad
Date: 17th May '24

Place: Ahmedabad
Date: 17th May '24

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

Profit & Loss Statement For The Year Ended 31st March '24

(Amount in Lakhs)

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Cash Flow from Operating Activities		
Net Profit before tax paid	396.39	392.67
Adjustments for :		
Depreciation and amortization	310.05	227.77
Interest income	(4.67)	(4.60)
Dividend Income	(0.50)	-
Profit On Sale of Investment	(12.87)	-
Finance Cost	170.34	197.55
Prior Period Item	-	11.98
Adjustment Related to IPO Expense and Deffered Government Grants	(231.09)	-
Operating profit before working capital changes (a)	627.65	825.37
Adjustment for Changes in Working Capital :		
Changes in Trade Payables	350.03	(478.49)
Changes in Other Current Liabilities	(275.62)	228.65
Changes in Short term Provisions	(128.33)	38.16
Changes in Inventories	(436.76)	(446.53)
Changes in Trade Receivables	(1,154.72)	381.13
Changes in Short Term Loans and Advances	(15.80)	192.75
Changes in Other Current Assets	(369.78)	241.61
Operating profit after working capital changes (b)	(2,030.98)	157.28
Cash generated from Operations (a+b)	(1,403.33)	982.65
Taxes paid (net of refund)	(208.85)	(168.39)
Net Cash generated from Operations (A)	(1,612.18)	814.26
Cash Flow from Investing Activities		
Addition in Property, Plant and Equipments and Intangible Assets	(1,270.53)	(899.96)
Disposals Of Property, Plant and Equipments And Intangible Assets	0.91	-
Changes in Capital Work in Progress	(508.37)	-
Decrease in of Loans and advacnes	1.63	(3.21)
Purchase of Investment in Sotac Healthcare Pvt Ltd.	-	(400.21)
Chnages In Non Current Investments	(209.61)	-
Dividend Income	0.50	-
Profit From Investment	12.87	-
Interest income	4.67	4.60
Reversal/Disposal in PPE	-	131.40
Net Cash generated / (used) in Investing Activities (B)	(1,967.93)	(1,167.38)

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Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Profit & Loss Statement For The Year Ended 31st March '24

(Amount in Lakhs)

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Cash Flow from Financing Activities		
Issued Share against Share Application Money received	(947.05)	947.05
Proceeds from Issue of New Equity Share_Securities Premium	3,030.00	-
Changes In Minority Interest	455.00	-
Changes in long term Provisions	4.12	8.56
Changes in Long Term Borrowings	436.22	65.35
Changes in of Short term Borrowings	(154.22)	310.71
Finance Cost	(170.34)	(197.55)
Proceeds from Issue of New Equity Share	300.00	179.50
Net Cash Used in Financing Activities	(C)	1,313.62
Net Increase in Cash and Cash Equivalents	(A+B+C)	960.51
Cash and Cash Equivalents as on 1st April '23	968.16	7.65
Cash and Cash Equivalents as on 31st March '24	341.78	968.16

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

For, Sotac Pharmaceuticals Limited

SD/-
Keyur Shah
Proprietor
M No. : 153774

SD/- Sharad Patel Managing Director Din No-07252252	SD/- Dinesh Gelot Whole time Director Din No-07252132
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SD/- Brijeshkumar Patel Chief Financial Officer	SD/- Niyati Parikh Company Secretary M No. : F12289
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Place: Ahmedabad
Date: 17th May '24

Place: Ahmedabad
Date: 17th May '24

SOTAC PHARMACEUTICALS LIMITED
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Plot No PF-21, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110
CIN : U24230GJ2015PLC085451

NOTE -1 Note to the Consolidated Financial Statements for the year ended on March 31, '24

Significant Accounting Policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis. All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. PRINCIPLES OF CONSOLIDATION

Following subsidiary company, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statement as at reporting date 31.03.2023:

Name of the Entity	Relationship	% of Holding	Voting Power Either Directly or indirectly thought Subsidiary	Reporting date As at
Sotac Healthcare Private Limited	Subsidiary	71.00	Directly	March 31, '24
Sotac Research Private Limited	Subsidiary	100.00	Directly	March 31, '24
Sotac Lifesciences Private Limited	Subsidiary	54.27	Directly	March 31, '24

The Consolidated audited financial statements related to Sotac Pharmaceuticals Limited ("the company") and its subsidiary entity viz Sotac Healthcare Private Limited, Sotac Research Private Limited and Sotac Lifesciences Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the company and its subsidiary entity, used in the consolidation are drawn up to the same date as that of the company i.e. 31.03.2023
- ii. The financial statements of the Company and its subsidiary entity have been combined on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.
- iii. The excess of cost to the company of its investment in the subsidiary entity over its share of equity of the subsidiary entity, at the date on which the investment in the subsidiary entity were made, is recognized as 'Goodwill' being an asset in the consolidated financial statement and is tested for impairment on annual basis.
- iv. Goodwill arising on consolidation is not amortized but tested for impairment.

v. The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements.

C. USE OF ESTIMATES

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

D. REVENUE RECOGNITION:

(i) Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognized on accrual basis.

(iv) Income from export entitlement is recognized as on accrual basis.

E. FOREIGN CURRENCY TRANSACTIONS.

I) Initial recognition

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are Restated Standalone at the yearend rates.

II) Exchange difference

"Exchange differences arising on settlement of monetary items are recognized as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the yearend being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year. Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

III) Forward Exchange Contract

The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward contract is recognized as income or expense in the period in which such cancellation or renewal is made
The Foreign currency exposures that have not been hedged by a derivative instrument.

F. INVESTMENTS

"Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss."

G. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(i) Tangible Assets

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

H. DEPRECIATION AND AMORTISATION

Depreciation is calculated using the Written-down value over their estimated useful lives.

I. INVENTORIES:

Items of inventories are measured at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing material and fuel are determined on weighted average basis. Cost of WIP is determined on absorption costing method. Valuation of FG is cost or NRV, whichever is less.

J. IMPAIRMENT OF ASSETS:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The 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. Where 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. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit'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 years. Such reversal is recognized in the statement of profit and loss.

K. RETIREMENT BENEFITS:

(i) Short-term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service

(ii) Post-employment benefits:

Defined Contribution Plan: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit Plans: Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

"Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.'

L. BORROWING COST

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

M. EARNINGS PER SHARE:

"The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period."

N. TAXATION:

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognized only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognized. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

O. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

(i) Provisions

A provisions is recognized when the Company has a present obligation as a result of past event, if 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 obligation.

(ii) Contingent Liability

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(ii) Contingent Assets

Contingent Assets are neither recognized nor disclosed in the financial statements.

P. SEGMENT REPORTING

In accordance with the Accounting Standard 17 "segment reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), as the company is covered under categories of SMC companies, the said accounting standard is not applicable to it.

Q. CASH & CASH EQUIVALENTS

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

R. LEASES

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

S. GOVERNMENT GRANTS

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Schedule : 2 Share Capital

Particulars	As at 31st March '24	As at 31st March '23
<u>AUTHORIZED CAPITAL</u>		
1,15,00,000 (P.Y.1,15,00,000) Equity Shares of Rs. 10/- each.	1,150.00	1,150.00
	1,150.00	1,150.00
<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
1,10,50,000 (P.Y.80,50,000) Equity Shares of Rs. 10/- each.	1,105.00	805.00
Total	1,105.00	805.00

The details of share holders holding more than 5% of shares as at 31st March '24 are as follows:

Name of the Share Holder	As at 31st March '24	As at 31st March '23
Equity shares of Rs. 10 each		
Kiranben Baldevbhai Jotania		
- Number of shares	14,49,000	14,49,000
- Percentage holding (%)	13.11%	18.00%
Chetankumar Bachubhai Patel		
- Number of shares	10,69,250	10,69,250
- Percentage holding (%)	9.68%	13.28%
Dineshkumar Babulal Gelot		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%
Vishalkumar Devarajbhai Patel		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%
Shailesh V Patel		
- Number of shares	8,05,000	8,05,000
- Percentage holding (%)	7.29%	10.00%
Sharadkumar Dasharathbhai Patel		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%

The details of share holding of Promoters as at 31st March '24 are as follows:

Name of the Share Holder	As at 31st March '24		
	No. of Shares	% Held	% Change
Kiranben Baldevbhai Jotania	14,49,000	13.11%	4.89%
Chetankumar Bachubhai Patel	10,69,250	9.68%	3.60%
Dineshkumar Babulal Gelot	14,31,500	12.95%	4.83%
Vishalkumar Devarajbhai Patel	14,31,500	12.95%	4.83%
Sharadkumar Dasharathbhai Patel	14,31,500	12.95%	4.83%

The details of share holding of Promoters as at 31st March '23 are as follows:

Name of the Share Holder	As at 31st March '23		
	No. of Shares	% Held	% Change
Kiranben Baldevbhai Jotania	4,14,000	18.00%	0.00%
Chetankumar Bachubhai Patel	3,05,500	13.28%	0.00%
Dineshkumar Babulal Gelot	4,09,000	17.78%	0.00%
Vishalkumar Devarajbhai Patel	4,09,000	17.78%	0.00%
Sharadkumar Dasharathbhai Patel	4,09,000	17.78%	0.00%
Shailesh V Patel	2,30,000	10.00%	0.00%

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Reconciliation of equity share capital

Particulars	As at 31st March '24	As at 31st March '23
Balance at the beginning of the period/year		
- Number of shares	80,50,000	23,00,000
-Amount in Rs.	805.00	230.00
Add: Bouns Shares issued during the period/year		-
- Number of shares	-	57,50,000
-Amount in Rs.	-	575.00
Add : Addition During the Year		
- Number of shares	30,00,000	
-Amount in Rs.	300.00	
Balance at the end of the period/year		
- Number of shares	1,10,50,000	80,50,000
-Amount in Rs.	1,105.00	805.00
Closing Balance of Equity share capital	1,105.00	805.00

Note: Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In the Preivious Year 2022-23 the Company allotted of 57,50,000 bonus equity shares of Rs. 10/- each as fully paid- up against existing 23,00,000 equity shares of Rs.10/- each to the existing shareholders of the Company in the ratio of 5 : 2 (5 new equity shares of Rs. 10/- each fully paid up for each 2 exiting equity share of Rs. 10/- each fully paid-up).

The company had made an initial public offering (IPO) of 30,00,000 equity shares of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 111/- per equity share(including share premium of Rs. 101 per equity share) aggregating to Rs.3330.00/- Lakhs. The aforementioned equity shares of the company allotted as on 10th April '23 and got listed on NSE Emerge Platform on 13th April '23.

Schedule : 3 Reserve & Surplus

Particulars	As at 31st March '24	As at 31st March '23
<u>Balance in Statement of Profit & Loss</u>		
Balance as at the beginning of the year	159.95	95.19
Add : Current Year Profit after Dividend Declared	428.13	228.63
Less: Adjustment in Fixed Assets	-	(558.00)
Less : Bonus Share	-	(112.69)
Less : Prior Period Item	-	(0.88)
Prior Period Adjustment	-	(5.80)
Prior Period Adjustment -Deffered Government Grants	-	(15.26)
Less: Capital Profit/Loss transferred to calculation of Intrinsic Value	-	333.39
Less: Capital Profit/Loss Related to Minority Interest Transferred	-	136.05
Less: Revenue Profit/Loss Transferred to Minority Interest	-	59.32
Balance as at the end of the year	588.08	159.95
<u>Security Premium</u>		
Balance as at the beginning of the year	-	17.00
Less : Bonus Share	-	17.00
Add : Securities premium credited on Share issue	3,030.00	-
Less : IPO Expesnes	(227.75)	
Balance as at the end of the year	2,802.25	-
<u>Defered Government Grant</u>		
Balance as at the beginning of the year	33.93	-
Prior Period Item	(3.34)	37.26
Less :- Amortisation of Deferred Income	-	(2.50)
Balance at the end of the period/year	30.59	33.93
Total	3,420.92	1936.2

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Note - 4 - Share Application Money Pending Allotment

Particulars	As at 31st March '24	As at 31st March '23
Share Application Money Pending Allotment	-	947.05
Total	-	947.05

Note: Initial Public offering of the company was initiated on 29th March, 2023 till 3rd April, 2023 the, company had received RS 947.05 Lakhs application money from anchore investors which has been shown under the head share application money pending allotment in the balance sheet.

Schedule : 5 Long Term Borrowings

Particulars	As at 31st March '24	As at 31st March '23
Secured :		
Term Loan From Bank:	1,361.34	1,108.76
Less : Current maturities of Long - Term Debt	(285.26)	(344.60)
Sub Total (a)	1,076.08	764.16
Unsecured :		
From Director & Related Party	137.03	12.73
Sub Total (b)	137.03	12.73
Total (a+b)	1,213.11	776.89

Refer Schedule - 5.1 - For Detailed Term & Condition related to Borrowing

Schedule : 6 Deferred Tax Liabilities (Net)

Particulars	As at 31st March '24	As at 31st March '23
Opening Balance		32.06
Add: Provision for the Period	-	(4.33)
Closing Balance	-	27.71

Schedule : 7 Long Term Provisions

Particulars	As at 31st March '24	As at 31st March '23
Provision for Gratuity	13.71	9.59
Total	13.71	9.59

Schedule : 8 Short Term Borrowing

Particulars	As at 31st March '24	As at 31st March '23
Axis Bank Cash Credit	985.00	1,079.89
Current maturities of Long - Term Debt	285.26	344.60
Unsecured :		
From Director & Related Party	2.50	2.50
Total	1,272.77	1,426.99

Refer Schedule - 8.1 - For Detailed Term & Condition related to Borrowing

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CIN : U24230GJ2015PLC085451
Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Schedule : 9 Trade Payable

Particulars	As at 31st March '24	As at 31st March '23
<u>Total outstanding dues of micro enterprise and small enterprise :</u>		
Less than 6 Months	1,427.81	513.89
6 Months- 1 year	1.12	13.28
1-2 Years	0.45	0.19
2-3 Years	-	-
More than 3 years	-	-
<u>Total outstanding dues other than micro enterprise and small enterprise</u>		
Less than 6 Months	1,459.49	1,889.98
6 Months- 1 year	0.25	121.03
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	0.25	0.99
Total	2,889.37	2,539.36

Note : The Company has initiated the process of identification of Vendors which falls under category of MSME, the disclosure relating to amount due to MSME are made to the extent information received.

Refer Note No - 29 - for Ageing of Trade Payable

Schedule : 10 Other Current Liabilities

Particulars	As at 31st March '24	As at 31st March '23
Statutory Dues	27.03	49.71
Advances from Customer	104.11	357.61
Other Current Liability	2.01	1.46
Total	133.15	408.77

Schedule : 11 Short Term Provisions

Particulars	As at 31st March '24	As at 31st March '23
Provision for Expenses	37.00	46.10
Provision For Gratuity (Short Term)	0.97	0.47
Provision For Tax F Y 2022-23	39.74	159.47
Total	77.71	206.04

Schedule : 13 Net Current Investment

Particulars	As at 31st March '24	As at 31st March '23
Investment in other Companies	209.61	-
Total	209.61	-

Schedule : 14 Deferred Tax Assets (Net)

Particulars	As at 31st March '24	As at 31st March '23
Opening Balance	(27.71)	-
Add: Provision for the Period	170.39	-
Closing Balance	142.66	-

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Schedule : 15 Long Term Loans and Advances

Particulars	As at 31st March '24	As at 31st March '23
Security Deposit		
Other Deposit	52.52	52.49
Other Loans & Advances		
Loans To Others	-	1.66
Total	52.52	54.15

Schedule : 16 Inventories

Particulars	As at 31st March '24	As at 31st March '23
Raw Material & Packing Material	1,060.84	778.99
Finished Goods	658.07	455.74
Work In Progress	82.09	129.51
Total	1,801.00	1,364.24

Note : Raw Material, Work in Progress and Stores and Spares are valued at landed Cost. Finished goods are valued at cost or net realisable value which ever is less.

Schedule : 17 Trade Receivables

Particulars	As at 31st March '24	As at 31st March '23
Others		
<u>Unsecured, Considered Good :</u>		
Less than 6 Months	2,520.35	1,394.47
6 Months to 1 Year	44.52	32.06
1 Year to 2 Years	34.05	26.28
2 Years to 3 Years	15.86	20.61
More Than 3 Years	13.99	0.64
Total	2,628.77	1,474.06

Refer Note No - 30 - for Ageing of Trade Receivable

Schedule : 18 Cash & Cash Equivalent

Particulars	As at 31st March '24	As at 31st March '23
Cash-in-Hand		
Cash Balance	40.41	18.19
Sub Total (A)	40.41	18.19
Bank Balance		
Axis Bank Ltd	277.74	2.92
Recurring Deposit	22.00	-
Axis Bank Public Issue	1.63	947.05
Sub Total (B)	301.37	949.97
Total [A + B]	341.78	968.16

Note:- Cash in hand is certified and verified by the management of the company as on last date of Respective Financial Year

Schedule :19 Short Terms Loans and Advances

Particulars	As at 31st March '24	As at 31st March '23
Advance to Others	-	1.00
Advance to Employee	16.80	-
Total	16.80	1.00

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(Amount in Lakhs)

Schedule :20 Other Current Assets

Particulars	As at 31st March '24	As at 31st March '23
Balance with government Authorities	1,025.80	686.23
FD with SIDBI	43.33	41.19
Subsidy Receivable	-	32.19
Pre IPO Exps	-	35.38
Other Deposit	52.09	17.19
Prepaid Expenses	13.87	5.54
Advances to supplier	141.10	88.69
Total	1,276.19	906.41

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Schedules Forming Integral Part Of Profit & Loss as at 31st March '24

(Amount in Lakhs)

Schedule : 21 Revenue from Operations

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Revenue from operations		
Domestic Sales		
Manufacturing Sales	10,344.66	7,690.86
Job Work	38.39	-
Export Sales		
Manufacturing Sales	-	57.47
Total	10,383.05	7,748.32

Schedule : 22 Other Income

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Freight income	-	1.64
Subsidy Income	5.00	4.21
Interest on Deposits	4.67	4.60
profit on equity share Investment	12.87	-
Dividend Income	0.50	-
Providend Fund Subsidy	-	0.19
Interest on I T Refund	0.17	0.04
Deferred Govt Income	3.33	-
Fire Claim Income	3.43	-
Balance Written off	10.11	
Other income	8.45	8.05
Scrap Income	-	16.23
Fuel Cashback Rebates	0.09	-
Total	48.62	34.96

Schedule : 23 Cost of Material Consumed

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Purchase of Raw Materials and Stores		
Opening Stock	778.99	773.43
Add: Domestic Purchases	8,057.54	6,120.80
Less: Closing Stock	1,060.84	778.99
Total	7,775.69	6,115.23

Schedule : 24 Purchase of Stock in Trade

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Stock In Trade		
Purchase of Stock-In- Trade	261.58	52.64
Total	261.58	52.64

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Schedules Forming Integral Part Of Profit & Loss as at 31st March '24

(Amount in Lakhs)

Schedule : 25 Change in Inventories

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Stock In Trade / Finished Goods		
Opening Stock	455.74	9.77
Less: Closing Stock	579.27	455.74
	(123.53)	(445.97)
WIP		
Opening Stock	129.51	134.52
Less: Closing Stock	82.09	129.51
	47.42	5.01
Total	(76.10)	(440.96)

Schedule : 26 Employment Benefit Expenses

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Salaries, Bonus, PF & ESIC	196.13	249.41
Staff Welfare Expense	3.82	4.92
Director Remuneration	195.00	165.00
Gratuity	4.62	3.37
Total	399.57	422.70

Schedule : 27 Financial Cost

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Interest to Bank:		
Interest on Short Term Loan	76.32	153.91
Interest on Long Term Loan	75.93	32.50
Others :		
Loan Processing Charges	6.49	10.98
Bank Charges	11.60	0.16
Total	170.34	197.55

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(Amount in Lakhs)

Schedule : 28 Other Expenses

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
AMC for ETP operation and Maintenance	2.97	3.28
Bank Charges	0.60	2.85
Web Sites development Expense	1.88	-
Laboratory Maintenance charges	6.82	7.79
Labour and Wages cost	426.59	262.96
Cylinder Charge	1.26	8.30
Loading and Unloading charges	5.31	1.55
Stereo Rubber expense	1.50	1.19
Electricity Expense	116.39	90.46
Demat Charges	5.27	-
CSR Expense	15.81	-
Frieght Expense	11.27	5.02
GIDC Water Expense	10.96	4.36
Production Expense	-	1.10
Audit Fees	8.73	7.28
Accounting & GST Fees	-	0.93
Amozon Purchase Expense	-	0.11
contract exp	141.75	-
Petrol & Conveyance Expense	0.81	4.79
Insurance Expense	10.15	11.38
FDA Test Expense & Government Fees	-	2.70
Office Expense	5.06	5.21
Annual Charges	0.25	-
ROC Expense	16.27	5.79
Consumable & Stores	44.88	81.28
Legal & Professional Expense	19.27	24.28
Internet Expense	0.97	0.82
Repairs & Maintaing to Building	9.33	0.60
Repair and Maintanance Expense	18.01	36.37
Postage and Courier Expense	0.27	0.50
Electric Bills Exp	69.97	37.22
Stationery and Printing Expense	16.11	11.36
Tea and Refreshment	3.66	2.42
Telephone and Mobile Expense	1.16	0.95
Office Rent	3.60	3.60
Laboratory and testing Expense	11.91	8.15
Misc Expense	0.39	34.72
Calibration Services	3.26	1.61
Consultancy and Service Expense	8.97	1.37
Factory and Maintanace Expense	5.31	10.23
Software Expense	0.28	0.50

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Schedules Forming Integral Part Of Profit & Loss as at 31st March '24

Particulars	(Amount in Lakhs)	
	For the year ended 31st March '24	For the year ended 31st March '23
Product Permission Expense	1.42	1.94
Interest on TDS	0.71	0.93
Computer & Maintaaince Expense	-	0.60
Medical Expense	3.72	1.35
Commission Expense	63.83	31.74
Advertising Expenses	0.47	2.96
Sitting charges	1.35	1.80
Discount Expense	0.13	1.24
House keeping Expense	22.10	4.98
License and Certificate Fees	0.41	0.46
Apron & Uniform Expense	4.30	2.16
Lab Chemical Purchase	2.96	8.33
Tender fees	0.88	-
Production Expense	4.07	0.35
Travelling Expense	0.18	11.22
Outward Freight Charges	1.00	3.63
Domain & Hosting Expense	-	0.77
Interest on late payment of PF & ESIC	2.14	2.82
Export Import expense	-	1.01
Administrative Expenses	0.02	0.08
Transport Expense	7.48	7.77
Tall Expense	0.53	0.61
Security Expense	7.24	12.61
Membership Fees	1.07	0.41
Professional Fees	7.07	37.27
Packing and Forwarding Charges	6.59	-
Loss & Destroyed A/c	9.98	-
Foreign Exchange Loss	0.72	-
Other Charges	-	0.66
AMC charges and contract	5.12	1.42
Donation Expense	-	1.01
Pf Penalty	-	0.31
GST Expenses	8.31	50.24
Total	1,170.77	873.69

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Notes to the Consolidated Financial Statements for the Year ended on 31st March '24

(Amount in Lakhs)

Note - 12: Property, Plant & Equipments, Right Of Use, Intangibles & Capital Work-In-Progress

A. PROPERTY, PLANT & EQUIPMENTS

Particulars	Land & Development	Buildng	Xerox M/c-Scarp	Plant & Machinery	Staff Bus	Electric & Fitting	Refrigerator	Eco/Maruti Car	Director Car	Furniture & Fixtures	Tiago xt ev	Computers & Printer	Office Equipment	Total
Gross Block														
As at 31 March '22	250.43	517.43	0.18	1,465.51	8.14	46.52	0.85	1.39	71.89	87.37	-	13.45	-	2,463.16
Additions	141.72	327.09	0.07	207.83	0.07	51.77	0.24	2.05	26.81	17.87	-	2.68	-	778.22
Disposals/ Adjustments	-	0.48	-	18.37	-	-	-	0.20	-	-	-	-	-	19.05
Adjustment	-	17.06	-	95.97	-	3.03	-	-	-	5.91	-	1.08	-	123.05
As at 31 March '23	392.16	826.99	0.25	1,559.00	8.21	95.26	1.09	3.24	98.70	99.33	-	15.05	-	3,099.28
Additions	481.94	81.46	-	563.20	-	57.88	-	-	-	77.83	10.88	7.19	1.04	1,281.41
Disposals/ Adjustments	-	12.38	-	-	-	0.36	-	-	-	-	-	0.56	-	13.29
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March '24	874.09	896.07	0.25	2,122.20	8.21	152.78	1.09	3.24	98.70	177.16	10.88	21.68	1.04	4,367.40
Accumulated Depreciation														
As at 31 March '22	-	50.36	0.06	352.71	4.29	11.37	0.22	0.73	37.88	21.25	-	7.59	-	486.47
Depreciation charge for the year	-	51.43	0.10	139.12	1.21	4.95	0.12	0.78	18.09	9.66	-	2.11	-	227.57
Reversal on Disposal/ Adjustments	-	-	-	5.29	-	-	-	-	-	-	-	-	-	5.29
Adjustment	-	0.12	-	3.64	-	0.45	-	-	-	5.13	-	1.02	-	10.36
As at 31 March '23	-	101.68	0.16	482.90	5.50	15.87	0.34	1.51	55.97	25.78	-	8.68	-	698.39
Depreciation charge for the year	-	61.67	0.06	193.08	0.85	13.01	0.11	0.54	14.06	23.20	0.39	2.55	-	309.52
Reversal on Disposal/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March '24	-	163.35	0.22	675.98	6.35	28.88	0.44	2.05	70.03	48.98	0.39	11.22	-	1,007.90
Net Block														
Balance as on 31 March '23	392.16	725.31	0.09	1,076.09	2.72	79.39	0.75	1.73	42.73	73.55	-	6.37	-	2,400.89
Balance as on 31 March '24	874.09	732.72	0.03	1,446.22	1.86	123.90	0.65	1.19	28.66	128.18	10.48	10.46	1.04	3,359.50

B. CWIP

Particulars	Building	Total
Gross Block		
As at 31 March '22	-	-
Additions	4.06	4.06
Disposals/ Adjustments	-	-
As at 31 March '23	4.06	4.06
Additions	512.43	512.43
Disposals/ Adjustments	-	-
As at 31 March '24	516.49	516.49
Accumulated Depreciation		
As at 31 March '22	-	-
Depreciation charge for the year	-	-
Reversal on Disposal/ Adjustments	-	-
As at 31 March '23	-	-
Depreciation charge for the year	-	-
Reversal on Disposal/ Adjustments	-	-
As at 31 March '24	-	-
Net Block		
Balance as on 31 March '23	-	4.06
Balance as on 31 March '24	-	516.49

C. INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross Block		
As at 31 March '22	0.67	0.67
Additions	0.03	0.03
Disposals/ Adjustments	-	-
As at 31 March '23	0.70	0.70
Additions	1.50	1.50
Disposals/ Adjustments	-	-
As at 31 March '24	2.20	2.20
Accumulated Depreciation		
As at 31 March '22	0.16	0.16
Depreciation charge for the year	0.21	0.21
Reversal on Disposal of Assets	-	-
As at 31 March '23	0.37	0.37
Depreciation charge for the year	0.54	0.54
Reversal on Disposal of Assets	-	-
As at 31 March '24	0.91	0.91
Net Block		
Balance as on 31 March '23	0.34	0.34
Balance as on 31 March '24	1.30	1.30

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Note : 29 Trade Payables Aging Schedules

(Amount in Lakhs)

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1 year	1 -2 year	2-3 Years	2-3 Years	More than 3 years	
MSME	1,427.81	1.12	0.45				1,429.38
Others	1,459.49	0.25				0.25	1,459.99
Disputed Dues-MSMEs							-
Disputed Dues-Others							-
Total	2,887.30	1.37	0.45	-	-	0.25	2,889.37

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1 year	1 -2 year	2-3 Years	2-3 Years	More than 3 years	
MSME	513.89	13.28	0.19				527.36
Others	1,889.98	121.03				0.99	2,012.00
Disputed Dues-MSMEs							-
Disputed Dues-Others							-
Total	2,403.87	134.31	0.19	-	-	0.99	2,539.36

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Note : 30 Trade Receivables Aging Schedules

(Amount in Lakhs)

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables-Considered Good	2,520.35	44.52	34.05	15.86	13.99	2,628.77
Undisputed Trade Receivables-Considered Doubtful						-
Disputed Trade Receivables-Considered Good						-
Disputed Trade Receivables-Considered Doubtful						-
Total	2,520.35	44.52	34.05	15.86	13.99	2,628.77

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables-Considered Good	1,394.47	32.06	26.28	20.61	0.64	1,474.06
Undisputed Trade Receivables-Considered Doubtful						-
Disputed Trade Receivables-Considered Good						-
Disputed Trade Receivables-Considered Doubtful						-
Total	1,394.47	32.06	26.28	20.61	0.64	1,474.06

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Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

(Amount in Lakhs)

Schedule 5.1: Consolidated Statement of Details regarding Long Term Loan From Bank (Secured & Unsecured)

SNo.	Lender	Nature of Facility	Loan	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
Long Term Borrowings (secured & Unsecured)								
Sotac Pharmaceuticals Limited (Foremerly Known as Sotac Pharmaceuticals Private Limited)								
1	Axis Bank	Term Loan-1	288.00	207.90	Repo Rate+3.0%	In equal 60 monthly instalments of Rs. 535000/- each after the date of first disbursement.	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS	(A) Immoveable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1. Dineshkumar Babulal Gelot 2. Vishalkumar Patel 3. Sharadkumar Patel 4. Chetankumar Patel 5. Pinki Sharadkumar Patel 6. Kiran Baldevbhai Jatania 7. Sarojben Dineshkumar Gelot 8. Vasantkumar Patel 9. Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS
2	Axis Bank	WCTL under ECGLS I (Existing)	21.00	23.60	Repo Rate+3.0%	Balance tenor 26 Months		
3	Axis Bank	WCTL under ECGLS II (New)	24.00	1.10	Repo Rate+3.0%	60 months (including 24 months moratorium)		
4	ICICI Bank	EV Auto Loan	13.00	7.84	8.30%	48 Monthly Installment Of Rs.31,943. From the date of First Disbursement	Primary Security Vehicle	-

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(Amount in Lakhs)

5	SIDBI	Term Loan	50.00	14.85	5.00%	15 monthly instalments comprising first 14 monthly instalment of Rs. 3,33,000/- each followed by 15th monthly instalment of Rs. 3,38,000/- after a moratorium of 3 months from the date of first disbursement of the loan.	1.All Current Asset of Company including but not Limiting to all Stock of raw materials, WIP,Semi Finished goods, Finished goods, Packing Materials, Stores Etc. 2. FDRs Issued by SIDBI for Rs.12.50 Lakhs.	If at any time during the currency of the loan, SIDBI is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding,
6	SIDBI	Working Capital Term Loan	100.00	55.60	5.50%	15 monthly instalments comprising first 14 monthly instalment of Rs. 6,66,000/- each followed by 15th monthly instalment of Rs. 6,76,000/- after a moratorium of 3 months from the date of first disbursement of the loan.	1. Hypothecation of all Current Asset of Company including but not Limiting to all Stock of raw materials, WIP,Semi Finished goods, Finished goods, Packing Materials, Stores Etc. 2. FDRs Issued by SIDBI for Rs.25.00 Lakhs.	then, on SIDBI advising the Borrower to that effect, the Borrower shall provide and furnish to SIDBI to their satisfaction such additional security as may be acceptable to SIDBI to cover such deficiency.
7	Axis Bank	Cash Credit	200.00	156.67	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i) Duly Signed Standing Instruction Form With One Undated Cheque With Amount Kept Blank To be Obtained, However "Not Exceeding Amount< Sanction Loan Amount> to be Written on Cheque. ii) Extention Of First Charge by Way of Hypothecation Over Entire Current Asset of the Company(Both Existing & Future). Including Receivable and Inventory.	(A) Immovable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Vishalkumar Patel 3.Sharadkumar Patel 4.Chetankumar Patel 5.Pinki Sharadkumar Patel 6.Kiran Baldevbhai Jatania 7.Sarojben Dineshkumar Gelot 8.Vasantkumar Patel 9.Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
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Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

(Amount in Lakhs)

8	Axis Bank	Term Loan	200.00	157.86	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i)First and Exclusive Charge by Way of Hypothecation Over Entire Movable Fixed Asset of Company Present and Future Except the one Charged to SIDBI against the TL availed of Rs.1.50. Cr ii)First Charge by Way of Mortgage of Property Situated at Industrial Plot-Final Plot No. 22/A at Sanand-II Industrial estate Consisting. Revenue Survey no. 37/P, 38/P, 39/P, 40/P with the Village limits of Chhatral Taluka Sanand Dist. Ahmedabad. Having Area 2791.50 Sq.mt. Owned by Sotac Pharmaceutical Pvt. Ltd.	-	
Sotac Healthcare Private Limited									
9	Axis Bank	Term loan	335.00	95.00	Repo Rate + 3.50%	47 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant& Machinery financed out of Term Loan of the Company both present & future	(A)Immovable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B)Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Kamleshbhai Patel 3.Sharadkumar Patel 4.Mukeshbhai Patel (C)Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM	
10	Axis Bank	ECLGS	62.00	2.47	Repo Rate + 3.75%	36 months			
11	Unsecured Loan from Directors and Others	Loan	-	137.03	15.00%	Repayable on Demand	Unsecured loan	-	
Sotac Research Private Limited									
12	ICICI Bank	Auto Loan	13.00	7.84	8.30%	48 Months	Primary Security Vehicle	-	

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(Amount in Lakhs)

Sotac Lifescience Private Limited								
13	Axis Bank	Building construction and purchase of plant & machinery loan	850.00	630.61	9.50%	84 Months	1) Hypothecation of entire current assets of the borrower, both present and future 2) Hypothecation of entire Fixed Assets of the borrower. both present and future	1) Industrial Property situated at Plot No. PF59, Nr. ACME Pharma Opp. Teva Pharma, Sanand GOCU. Sanand. Ahmedabad. Gujarat. India - 382110 (Owner - Sotac Lifesciences Private Limited) 2) Plot No. PF-21 . Nr. Acme Pharma. Opp. Teva Pharma. Choral Industrial Estate. Sanand GIDCI. Sanand. Ahmedabad -382110. Gujarat (Owner - Sotac Pharmaceutical Limited)

Schedule 8.1: Consolidated Statement of Details regarding Short Term Loan From Bank (Secured)

SNo.	Lender	Nature of Facility	Loan	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
Short Term Borrowings (secured & Unsecured)								
Sotac Pharmaceuticals Limited (Formerly Known as Sotac Pharmaceuticals Private Limited)								
1	Axis Bank	Cash Credit	600.00	491.18	Repo+2.75% -9.007 at present	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant& Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS	(A) Immovable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Vishalkumar Patel 3.Sharadkumar Patel 4.Chetankumar Patel 5.Pinki Sharadkumar Patel 6.Kiran Baldevbhai Jatania 7.Sarojben Dineshkumar Gelot 8.Vasantkumar Patel 9.Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS

SOTAC PHARMACEUTICALS LIMITED
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(Amount in Lakhs)

Sotac Healthcare Private Limited

2	Axis Bank	Cash Credit	350.00	493.82	Repo Rate + 3.50%	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future	(A) Immoveable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1) Dineshkumar Babulal Gelot 2) Kamleshbhai Patel 3) Sharadkumar Patel 4) Mukeshbhai Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM
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Sotac Research Private Limited

4	Unsecured Loan from Directors and others	-	-	2.50	-	Repayable on Demand	-	-
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SOTAC PHARMACEUTICALS LIMITED
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Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

- 31** In compliance to Accounting Standard 20 on "Earning per share", the calculation of Earnings per Share (Basic and diluted) is as under:

Particulars	(Amount in Lakhs)	
	For the Year ended 31st March '24	For the Year ended 31st March '23
A. Profit/Loss attributable to Equity Shareholders	428.13	287.93
B. Weighted average No. of Shares	1,09,76,230	80,50,000
C. Nominal value of equity share	10.00	10.00
D. Basic EPS (Rs.) (A)/(B)	3.90	3.58
E. Diluted EPS (A)/(B)	3.90	3.58

32 Contingent Liabilities:-

**Contingent Liabilities, not provided for:
(As Certified by the Management)**

Particulars	As at 31st March '24	As at 31st March '23
Claims against the Company not acknowledged as debt		
Custom Duty saved on import of Capital Goods under EPCG	-	-
Direct Tax *	46.40	-
Indirect Tax/ Other Tax Liability**	-	-

- 33** Previous years' figures are regrouped or rearranged or reclassified wherever necessary in order to confirm to the current years' grouping and classifications.

- 34** Figures have been rounded off to the nearest rupee.

The Company has adopted accounting standard 15 on employee benefits as per Actuarial Valuation carried by an

- 35** independent actuary in the Books of Accounts of the Company and the Disclosure relating to the same which is envisaged under the standard are disclosed as under:

Gratuity:

01. Valuation Assumption:

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Retirement Age	60 Years	60 Years
Attrition Rate	5% to 1%	5% to 1%
<u>Financial Assumption:</u>		
Salary Escalation Rate	6.00% p.a	6.00% p.a
Discount Rate	7.21% p.a	7.40% p.a

02. Valuation Result:

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Projected Benefit Obligation	14.68	10.06
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	0.97	0.47
Non Current Liability	13.71	9.59

36 Additional Information**a) Payment to auditor**

Payment to Statutory Auditor as	For the year ended 31st March '24	For the year ended 31st March '23
Audit Fees	2.20	2.25

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

SD/-
Keyur Shah
Proprietor
M No. : 153774

Place: Ahmedabad
Date: 17th May '24

For, Sotac Pharmaceuticals Limited

SD/-
Sharad Patel
Managing Director
DIN: 07252252

SD/-
Dineshkumar Gehlot
Whole time Director
Din: 07252132

SD/-
Brijeshkumar Patel
Chief Financial Officer

SD/-
Niyati Parikh
Company Secretary
M No. : F12289

Place: Ahmedabad
Date: 17th May '24

SOTAC PHARMACEUTICALS LIMITED
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Notes to the Consolidated Financial Statements for the Year ended on 31st March '24

Note 37 : Standalone Statement of Related Party Transaction

Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel	Sharadkumar Dasrathbhai Patel Vishalkumar Devrajbhai Patel Chetankumar Bachubhai Patel Dineshkumar Babulal Gelot Brijeshkumar Ranchhodhbhai Patel (CFO) Pooja Bagrecha (CS) * Niyati Dipesh Parikh (CS) **
2.	Relatives of Key Person	Dashrathbhai Ramabhai Patel Kamleshbhai J Patel Narmadaben Dashrathbhai Patel Bhavnaven Manishbhai Patel Tejaben Babulal Mali Varshaben Kapilkumar Solanki Ranjanben Shashikant Patel Sarojaben Patel Mitul Shaileshkumar Patel Shaileshkumar V Patel Vasantkumar D Patel Patel Trading Company Saral Pharma Ahura Salt Works Suchiben Kalpeshkumar Chandaben G Shah Mona Nirbhay Desai Babubhai Mali Kapilkumar Chunilal Chetankumar Prahaladbhai Patel Pinki Sharadbhai Patel Dhara Chetankumar Patel Kiran Baldevbhai Jotania Baldevbhai T Jotania Kalpeshkumar Babulal Gelot Manishkumar Madhubhai Patel Pragnaben N Patel Meenaben Bharatbhai Patel Bharatbhai V Patel

* Pooja Bagrecha (Company Secretary) has been resigned on 5th August '23

** Niyati Dipesh Parikh (Company Secretary) has been Appointed on 11th August '23

Note: Related parties are identified by the Mangagemnt and relied up on by the Auditor.

(Amount in Lakhs)

A) Transaction for the year ended 31st March '24

Sr. No.	Nature of Transaction	Transaction for the year ended 31st March'24	Transaction for the year ended 31st March'23
(A)	Volume of Transactions		
I)	<u>Remuneration to KMP & Relatives</u>		
1	Sharadbhai D Patel	48.00	37.80
2	Vishalkumar D Patel	48.00	37.80
3	Chetanbhai B Patel	48.00	23.00
4	Dineshbhai B Gelot	48.00	37.80
5	Kamleshbhai J Patel	3.00	14.80

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(Amount in Lakhs)

II) Unsecured Loan Taken		
1	Sharadbhai D Patel	100.00
2	Dineshkumar B Gelot	-
3	Vishalkumar D Patel	-
4	Chetanbhai B Patel	-
5	Dashrathbhai Ramabhai Patel	-
6	Narmadaben Dashratbhai Patel	-
7	Bhavnaben Manishbhai Patel	-
8	Tejaben Babulal Mali	-
9	Kalpeshkumar Babulal Gelot	-
10	Varshaben Kapilkumar Solanki	-
11	Ranjanben Shashikant Patel	-
12	Sarojaben Patel	-
13	Patel Trading Company	-
14	Saral Pharma	-
15	Ahura Salt Works	-
16	Suchiben Kalpeshkumar	-
17	Chandaben G Shah	-
18	Mona Nirbhay Desai	-
19	Babubhai Mali	-
20	Kapilkumar Chunilal	-
21	Manishkumar Madhubhai Patel	-
22	Pragnaben N Patel	-
23	Meenaben Bharatbhai Patel	-
24	Bharatbhai V Patel	-
25	Kamleshbhai joitaram patel	-
26	Hetal Amitkumar Patel	-
III) Unsecured Loan Repaid		
1	Sharadbhai D Patel	30.00
2	Dineshkumar B Gelot	-
3	Vishalkumar D Patel	-
4	Chetanbhai B Patel	-
5	Dashrathbhai Ramabhai Patel	-
6	Narmadaben Dashratbhai Patel	-
7	Bhavnaben Manishbhai Patel	-
8	Tejaben Babulal Mali	-
9	Kalpeshkumar Babulal Gelot	-
10	Varshaben Kapilkumar Solanki	-
11	Ranjanben Shashikant Patel	-
12	Sarojaben Patel	-
13	Patel Trading Company	-
14	Saral Pharma	-
15	Ahura Salt Works	-
16	Suchiben Kalpeshkumar	-
17	Chandaben G Shah	-
18	Mona Nirbhay Desai	-
19	Babubhai Mali	-
20	Kapilkumar Chunilal	-
21	Manishkumar Madhubhai Patel	-
22	Hetal Amitkumar Patel	-

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(Amount in Lakhs)

IV)	<u>Purchase</u>		
1	Pinki Sharadbhai Patel	-	2.65
2	Dhara Chetankumar Patel	-	0.13
3	Sarojaben Patel		0.13
4	Kiran Baldevbhai Jotania	-	13.02
5	Mitul Shaileshkumar Patel	-	2.75
6	Shaileshkumar V Patel	-	6.12
V)	<u>Reimbursement of Expenses</u>		
1	Sharadbhai D Patel	-	16.19
2	Dineshbhai B Gelot	-	14.02
3	Vishalkumar D Patel	-	29.45
4	Kamleshbhai j Patel	-	1.14
5	Chetankumar Bachubhai Patel		11.47
(VI)	<u>Salary</u>		
1	Pinki Sharadbhai Patel	-	2.00
2	Dhara Chetankumar Patel	-	2.00
3	Sarojaben Patel	-	2.00
4	Kiran Baldevbhai Jotania	-	2.00
5	Vasantkumar D Patel	-	2.13
6	Brijeshkumar Ranchhodbhai Patel	6.28	-
7	Pooja Bagrecha	0.50	-
8	Niyati Dipesh Parikh	1.20	-
(VII)	<u>Loans & Advances Given</u>		
1	Chetankumar Bachubhai Patel	-	2.50
	<u>Loans & Advances repaid</u>		
1	Chetankumar Bachubhai Patel	-	2.81
(B)	<u>Balance Outstanding</u>		
Sr. No.	Nature of Transaction	As at 31st March'24	As at 31st March'23
I)	<u>Unsecured Loan</u>		
	Sharadbhai D Patel	70.50	0.50
	Chetankumar Bachubhai Patel	0.50	
	Hetal Amitkumar Patel	-	1.00
	Vishalkumar D Patel	0.50	5.23
	Dineshbhai B Gelot	0.50	0.50
II)	<u>Trade Payables</u>		
	Pinki Sharadbhai Patel	-	1.01
III)	<u>Reimbursement of Expenses</u>		
	Dineshbhai B Gelot	-	0.20
	Vishalkumar D Patel	-	(1.42)
	Kamleshbhai j Patel	-	(0.11)
IV)	<u>Loans and Advances</u>		
	Chetankumar Bachubhai Patel	-	0.50

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Notes to the Consolidated Financial Statements for the period ended 31st March '24

Note - 38 - Additional regulatory information

A)The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

B)The Company does not have any investment property.

C)The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

D)There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st March '24:

(i) repayable on demand; or

(ii) without specifying any terms or period of repayment

E)No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

F)The company is not declared willful defaulter by any bank or financial institution or other lender.

G)The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

I) The company has not advanced or loan or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

K) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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Notes to the Consolidated Financial Statements for the period ended 31st March '24

M) The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are applicable to the Company for the Financial year 2023-24 and Details of the required CSR Spending are as follows:

(Amount in Lakhs)

SR No	Year Ended	Prescribed CSR Expenditure
1	31/Mar/24	11.83

(Amount in Lakhs)

SR No	Year Ended	Other Than Construction/Acquisition of Assets
1	31/Mar/24	15.81

(Amount in Lakhs)

SR No	Year Ended	Other Than Construction/Acquisition of Assets
1	31/Mar/24	Nil

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Notes to the Consolidated Financial Statements for the Period ended 31st March '24

Note - 39 - Accounting Ratios:

(Amount in Lakhs)

Ratio	As at 31st March ' 24	As at 31st March '23	Change %
A Current ratio (In times)			
Current Assets	6,064.54	4,713.87	
Current Liabilities	4,373.00	4,581.16	
Current ratio (In times)	1.39	1.03	34.78%
B Debt-Equity Ratio (in times)			
Total Debts	2,485.88	2,203.88	
Share Holder's Equity + RS	4,525.92	998.88	
Debt-Equity Ratio	0.55	2.21	-75.11%
C Debt Service Coverage Ratio(in times)			
Earning available for debt service	900.16	759.97	
Interest + installment	361.19	377.10	
Debt Service Coverage Ratio,	2.49	2.02	23.66%
D Return on Equity Ratio (in %)			
Net After Tax	357.93	228.61	
Average Share Holder's Equity	2,762.40	998.88	
Return on Equity Ratio,	12.96%	22.89%	-43.39%
E Inventory Turnover Ratio (In times)			
Cost of Goods Sold	7,961.17	5,726.91	
Average Inventory	1582.62	1,364.24	
Inventory Turnover Ratio	5.03	4.20	19.83%
F Trade Receivables turnover ratio (In times)			
Net Credit Sales	10,383.05	7,748.32	
Average Receivable	2051.415	1,474.06	
Trade Receivables turnover ratio,	5.06	5.26	-3.71%
G Trade payables turnover ratio (In times)			
Credit Purchase	8,057.54	6,120.80	
Average Payable	2714.37	2,539.36	
Trade payables turnover ratio (In times)	2.97	2.41	23.15%
H Net capital turnover ratio (In times)			
Revenue from Operations	10,383.05	7,748.32	
Net Working Capital	1,691.54	132.71	
Net capital turnover ratio	6.14	58.39	-89.49%
I Operating Profit Turnover Ratio (In %)			
Operating Profit	566.73	590.22	
Revenue from Operations	10,383.05	7,748.32	
Operating Profit Turnover Ratio	5.46%	7.62%	-28.34%
J Net profit ratio (in %)			
Net Profit	357.93	228.61	
Revenue form Operation	10,383.05	7,748.32	
Net profit ratio	3.45%	2.95%	16.84%

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Notes to the Consolidated Financial Statements for the Period ended 31st March '24

(Amount in Lakhs)

K	Return on Capital employed (in %)			
	Earning Before Interest and Taxes	590.11	532.20	
	Capital Employed	5,739.03	1,775.77	
	Return on Capital employed	10.28%	29.97%	-65.69%

*** Reason for variance**

A Current ratio (In times)

During the year, Current asset has been increased from Rs. 4713.87 lakhs to Rs. 6064.54 lakhs and current liability has been decreased from Rs. Rs. 4581.16 lakhs to rs. 4373 lakhs. This Resulted to Increase in Current Ratio.

B Debt-Equity Ratio (in times)

In the Current Year 2023-24 company has Issued equity shares by way of Initial Public Offer due to this Shareholder's Equity has been Increased from Rs. 998.88 lakhs to Rs. 4525.92 Lakhs. While Total Debt of the company also increased from Rs. 2203.88 lakhs to Rs. 2485.88 lakhs, Therefore debt Equity ratio has been Decreased.

D Return on Equity Ratio (in %)

In the Current year net profit after tax has been increased as compare to Previous year also Average Share Holder's Equity has been increased Due to Issuance of Equity shares. Therefore return on Equity has been decreased from 22.89% to 12.96%.

H Net capital turnover ratio (In times)

In the Current year 2023-24 Revenue from Operation has been increased from Rs. 7748.32 Lakhs to Rs. 10383.05 lakhs. Due to Increased in Current Asset and Decreased in Current Liability Net Working Capital also Increased. Therefore Net Capital Turnover Ratio has been decreased.

I Operating Profit Turnover Ratio (In %)

In the Current Year 2023-24 Revenue from operations Increased from 7,748.32 to 10,383.05 but as Compare to that Operating Profit doesn't decreased .Due to that Operating Profit Ratio Decreased from 7.62% to 5.46%.

K Return on Capital employed (in %)

In the Current year Significant increased in Capital employed as compared to Previous year. There has been also increased in Earning before Interest and taxes. Due to this Return on Capital employed has been increased from 29.97% to 10.28%.

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

SD/-

Keyur Shah

Proprietor

M No. : 153774

For, Sotac Pharmaceuticals Limited

SD/-

Sharad Patel

Managing Director

Din No-07252252

SD/-

Dinesh Gelot

Whole time Director

Din No-07252132

SD/-

Brijeshkumar Patel

Chief Financial Officer

SD/-

Niyati Parikh

Company Secretary

M No. : F12289

Place: Ahmedabad

Date: 17th May '24

Place: Ahmedabad

Date: 17th May '24

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sotac Pharmaceuticals Limited
(Formerly known as Sotac Pharmaceuticals Private Limited)
Sanand, Ahmedabad -382110

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Sotac Pharmaceuticals Limited (Formerly known as Sotac Pharmaceuticals Private Limited) ("the Company")**, which comprise the balance sheet as at 31st March, '24, and the statement of Profit and Loss, and statement of cash flows for the period ended 31st March, '24, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 as amended ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, '24, and its profit/loss, and its cash flows for the period ended 31st March, '24.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31st March, '24. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters and there is no any Key Audit Matters which need to be reported

Information Other Than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management for Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 for the period ended 31st March, '24 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, '24 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, '24 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not any pending litigation which should require to disclose on 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.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or

- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) does not contain any material misstatement.

v. The dividend has not been declared or paid during the year by the Company. Hence, compliance of the Section 123 of the Act is not applicable.

(h) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

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) of the Act which are required to be commented upon by us.

(i) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

SD/-

Keyur Shah
Proprietor
Membership No.: 153774
UDIN :- 24153774BKBNWP1380

Date:17th May,'24
Place: Ahmedabad

“Annexure A” Referred to in paragraph 1 of the Independent Auditors’ Report of even date to the members of Sotac Pharmaceuticals Limited (Formerly known as Sotac Pharmaceuticals Private Limited) on the Standalone Financial Statements for the period ended 31st March, ’24.

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. Property, Plant, Equipment and Intangible Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant, Equipment and intangible Assets;
- b. The Company has a program of verification property, plant and equipment & capital work in progress so to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, certain property, plant, equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 11 to the standalone financial statements, are held in the name of the Company.
- d. The Company has not revalued its Property, Plant, Equipment and intangible Assets during the period ended 31st March, ’24.
- e. Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding Benami property under Benami Transactions (Prohibitions) Act, 1988(as amended in 2016) (formerly the Benami Transaction (Prohibition) Act, 1998(45 of 1988) and Rules made thereunder.

ii. Inventory:

- a. The physical verification of inventory (including inventory lying with third parties, if any) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- b. During the year, the Company has not sanctioned any working capital limits in excess of Rs. 5 Crores, in aggregate, from banks on the basis of security of current assets.

iii. Loans/Advances/Investments Given By The Company:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments, granted loans and provided guarantees to companies and other parties in respect of which the requisite information is provided in clause (a) to (f) as below to the extent applicable. The Company has not made any investments in or provided any guarantee or security to firms or limited liability partnership except as mentioned below:

- a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has invested in subsidiaries companies. The details for the same as below:

(Amount in Lakhs)		
Particulars	Investments	Loans and Advances
Aggregate amount granted/Provided during the year		
-Subsidiaries	540.00	700.00
- Others	209.61	-
Aggregate amount granted/Provided at the year end		
-Subsidiaries	940.21	700.00
- Others	209.61	

- b) According to the information and explanations given to us and based on the audit procedures carried out by us, in our opinion no investments has been made and guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv) Loans To Directors & Investment By The Company:

In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v) Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi) Cost Records:

According to the information and explanations provided by the management the company is engaged in production, processing; manufacturing a wide range of Pharmaceuticals products such as Non Beta-Lactam (general) tablets, beta-lactam coated tablets, beta-lactam uncoated tablets, Non Beta-Lactam (general) capsules, beta-lactam capsules, oral liquid, dry syrup and external preparations such as nasal spray, relief spray and cream. In our opinion the company is broadly maintaining cost records, however we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) Statutory Dues:

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax and labour welfare fund, though there were no delay in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except-

(Amount in Lakhs)

Nature of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount Relates	Amount involved
Income Tax Act, 1961	Tax deducted at Source and Tax Collected at source	-	Prior Years (2017-18 to 2019-20)	0.08
			2020-21	0.01
			2021-22	0.13
			2022-23	21.00
			2023-24	3.17

- b. According to the information and explanation given to us, there have been no statutory dues on account of disputed as at March, 31, '24 for a period of more than six months from the date they became payable.

viii) Unrecorded Income

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

ix) Repayment Of Loans:

- a. 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 loans or other borrowings or in the payment of interest to any lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has applied term loans for the purpose for which the loans were obtained, hence reporting under clause 3(ix)(C) of the order is not applicable.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has not used funds raised on short-term basis for the long-term purposes.
- e. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) Utilization Of IPO & FPO and Private Placement and Preferential Issues:

- a. The Company has raised money by way of initial public offer and Utilisation of the same is as follow:

(Amount in Lakhs)

Nature of the fund raised	Purpose for which funds were raised	Total Amount Raised /opening unutilized balance	Amount utilized for the other purpose	Unutilized balance as at balance sheet date	Details of default (Reason/ Delay)	Subsequently rectified (Yes/No) and details
Initial Public offer	To meet working capital requirement and General corporate purposes	Rs. 3,330.00/- Lakhs	None	Nil	NA	NO

- b. The Company has not made preferential allotment or private placement of shares during the year and the requirement to report on clause 3(x)(b) of the order is not applicable to the company.

xi) Reporting Of Fraud:

- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints Received by the Company during the year and up to the date of this report.

xii) NIDHI Company:

As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii) Related Party Transaction:

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard 18 "Related Party Disclosures" specified under Section 133 of the Act.

xiv) Internal Audit

- a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv) Non-Cash Transaction:

The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

xvi) Register Under RBI Act, 1934:

The company is not carrying any activities which require registration under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions para 3(xvi) (a) to (d) of the Order referred to in Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act does not apply to the company.

xvii) Cash Losses

The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii) Auditor's Resignation

There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

xix) Financial Position

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

xx) Corporate Social Responsibility

The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are applicable to the Company during the year and hence reporting under this clause is applicable the details of is disclose in Note No.36 of Standalone Financial Statement.

**For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W**

SD/-

**Keyur Shah
Proprietor
Membership No.: 153774
UDIN:- 24153774BKBNWP1380**

**Date: 17th May,'24
Place: Ahmedabad**

“Annexure B” to the Independent Auditor’s Report of even date to the members of **Sotac Pharmaceuticals Limited (Formerly known as Sotac Pharmaceuticals Private Limited)** on the Standalone Financial Statements for the period ended 31st March, ‘24

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the standalone financial statements of **Sotac Pharmaceuticals Limited (Formerly known as Sotac Pharmaceuticals Private Limited)** as at and for the period ended 31st March, ‘24, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company.

Meaning Of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March, 31, '24, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

SD/-

Keyur Shah
Proprietor
Membership No.: 153774
UDIN :- 24153774BKBNWP1380

Date: 17th May,'24
Place: Ahmedabad

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Standalone Balance Sheet as at 31st March '24

(Amount in Lakhs)

Particulars	Note No.	As at 31st March '24	As at 31st March '23
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	1,105.00	805.00
(b) Reserves And Surplus	3	3,722.44	346.98
Total Equity		4,827.44	1,151.98
(2) Share Application Money Pending Allotment	4	-	947.05
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	5	440.94	659.35
(b) Long Term Provisions	6	12.37	8.56
Total Non-Current Liabilities		453.31	667.91
(4) Current Liabilities			
(a) Short-Term Borrowings	7	675.67	406.46
(b) Trade Payable	8		
i) Total outstanding dues of micro enterprise and small enterprise		615.13	439.10
ii) Total outstanding dues other than micro enterprise and small enterprise		859.85	1,380.41
(c) Other Current Liabilities	9	100.32	286.40
(d) Short-Term Provisions	10	76.83	198.98
Total Current Liabilities		2,327.80	2,711.35
Total Liabilities		2,781.11	3,379.26
TOTAL EQUITY & LIABILITIES		7,608.55	5,478.29
II.ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets	11		
(i) Property, Plant & Equipment		1,765.43	1,408.65
(ii) Intangible Assets		1.30	0.33
(iii) Capital Work In -Progress		4.77	4.06
(b) Non-Current Investments	12	1,149.82	400.21
(c) Deferred Tax Assets (Net)	13	12.62	4.40
Total Non-Current Assets		2,933.94	1,817.65

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)
CIN : U24230GJ2015PLC085451
Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110
Standalone Balance Sheet as at 31st March '24

(Amount in Lakhs)

Particulars	Note No.	As at 31st March '24	As at 31st March '23
(2) Current Assets			
(a) Inventories	14	1,102.33	958.11
(b) Trade Receivables	15	2,201.23	1,149.65
(c) Cash and Cash Equivalents	16	64.17	959.84
(d) Short-Term Loans And Advances	17	716.80	1.00
(e) Other Current Assets	18	590.08	592.04
Total Current Assets		4,674.61	3,660.64
TOTAL ASSETS		7,608.55	5,478.29
Summary of significant accounting policies	1		
Schedules referred to above and notes attached there to form an integral part of Balance Sheet			

This is the Balance Sheet referred to in our Report of even date.

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

SD/-
Keyur Shah
Proprietor
M No. : 153774

Place: Ahmedabad
Date: 17th May '24

For, Sotac Pharmaceuticals Limited

SD/-
Sharad Patel
Managing Director
DIN: 07252252

SD/-
Brijeshkumar Patel
Chief Financial Officer

Place: Ahmedabad
Date: 17th May '24

SD/-
Dineshkumar Gehlot
Whole time Director
Din: 07252132

SD/-
Niyati Parikh
Company Secretary
M No. : F12289

SOTAC PHARMACEUTICALS LIMITED
(Formerly Known as SOTAC PHARMACEUTICALS PRIVATE LIMITED)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

Standalone Statement of Profit & Loss for the year ended 31st March '24

(Amount in Lakhs)

Sr. No.	Particulars	Note No.	For the Year ended 31st March '24	For the year ended 31st March '23
I	Income From Operations			
	a) Revenue from Operations	19	6,710.50	5,798.28
	b) Other Income	20	131.87	24.31
	Total Income		6,842.37	5,822.59
II	Expenses			
	a) Cost of Materials Consumed	21	4,210.80	4,272.34
	b) Purchase of Stock-In-Trade	22	261.58	52.64
	c) Changes in Inventories of Finished Goods Work-In-Progress and Stock-In-Trade	23	47.61	(318.38)
	d) Employee Benefit Expense	24	265.68	292.67
	e) Finance Costs	25	101.34	86.13
	f) Depreciation and Amortisation Expense	11	251.11	162.53
	g) Other Expenses	26	905.36	678.20
	Total Expenses		6,043.48	5,226.13
III	Profit Before Prior Period Items and Tax (PBT) (I-II)		798.89	596.46
IV	Prior Period Items		(23.38)	-
V	Profit /(Loss) before Tax (III - IV)		775.51	596.46
VI	Tax Expense	27		
	a) Current Tax		212.64	168.40
	b) Deferred Tax (Asset)/Liabilities		(8.22)	(21.49)
	c) Income Tax Prior Period		(3.79)	-
	Total Tax Expense		200.63	146.91
VII	Net Profit/ (Loss) After Tax for the Period (V-VI)		574.88	449.55
IX	Earnings per equity share of Rs. 10/- each (in Rs.)			
	Basic Earnings per share	29	5.24	5.58
	Diluted Earnings per share	29	5.24	5.58

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

SD/-

Keyur Shah

Proprietor

M No. : 153774

Date: 17th May '24

Place: Ahmedabad

For, Sotac Pharmaceuticals Limited

SD/-

Sharad Patel
Managing Director

DIN: 07252252

SD/-

Brijesh Kumar Patel
Chief Financial Officer

SD/-

Dineshkumar Gehlot
Whole time Director

DIN: 07252132

SD/-

Niyati Parikh
Company Secretary
M No. : F12289

Date: 17th May '24

Place: Ahmedabad

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

Standalone Cashflow Statement for the year ended as on 31st March '24

(Amount in Lakhs)

Particulars	For the Year ended 31st March '24	For the year ended 31st March '23
Cash Flow from Operating Activities		
Net Profit Before Tax Paid	775.51	596.46
Adjustments for :		
Depreciation And Amortization	251.11	162.53
Interest Income	(106.22)	(2.93)
Finance Cost	101.34	86.13
Adjustment Related to IPO Expense and Deffered Government Grants	(229.42)	(7.47)
Operating Profit Before Working Capital Changes (a)	792.32	834.72
Adjustment For Changes In Working Capital :		
Changes In Trade Payables	(344.53)	(158.12)
Changes In Other Current Liabilities	(186.09)	262.34
Changes In Short term Provisions	(122.15)	36.55
Changes In Inventories	(144.22)	(418.65)
Changes In Trade Receivables	(1,051.58)	104.46
Changes In Short Term Loans and Advances	(715.80)	193.66
Changes In Other Current Assets	1.96	167.07
(b)	(2,562.41)	187.31
Cash Generated From Operations (a + b)	(1,770.09)	1,022.03
Taxes Paid (Net Of Refund)	(208.85)	(168.40)
Net Cash Generated From Operations (A)	(1,978.94)	853.63
Cash Flow From Investing Activities		
Addition In Property, Plant and Equipments And Intagible Assets	(609.77)	(704.16)
Disposals Of Property, Plant and Equipments And Intagible Assets	0.91	8.35
Addition In Capital Work In Progress	(0.70)	-
Changes In Non Current Investment	(749.61)	(400.21)
Interest Income	106.22	2.93
Net Cash Generated / (Used) in Investing Activities (B)	(1,252.95)	(1,093.09)

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

Standalone Cashflow Statement for the year ended as on 31st March '24

(Amount in Lakhs)

Particulars	For the Year ended 31st March '24	For the year ended 31st March '23
Cash Flow From Financing Activities		
Proceeds From Issue of Equity Share	300.00	-
Proceeds From Securities Premium	3,030.00	-
Proceeds From Share Application Money Received	(947.05)	947.05
Changes In Long Term Borrowings	(218.41)	562.34
Changes In of Short Borrowings	269.21	(235.28)
Changes In long term Provisions	3.81	8.56
Finance Cost	(101.34)	(86.13)
Net Cash Used In Financing Activities (C)	2,336.22	1,196.54
Net Increase In Cash And Cash Equivalents (A + B + C)	(895.67)	957.08
Cash And Cash Equivalents As On 01st April '23	959.84	2.76
Cash And Cash Equivalents As On 31st March '24	64.17	959.84

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

For, Sotac Pharmaceuticals Limited

SD/-

Keyur Shah

Proprietor

M No. : 153774

SD/-

Sharad Patel

Managing Director

DIN: 07252252

SD/-

Dineshkumar Gehlot

Whole time Director

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Chief Financial Officer

SD/-

Niyati Parikh

Company Secretary

M No. : F12289

Place: Ahmedabad

Date: 17th May '24

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Date: 17th May '24

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as SOTAC PHARMACEUTICAL PRIVATE LIMITED)
Plot No PF-21, Nr. ACME Pharam, Opp. Teva Pharam, Sanand GIDC-II, Ahmedabad-382110
CIN : U24230GJ2015PLC085451

NOTE -1 Note to the Consolidated Financial Statements for the year ended on March 31, '24

Significant Accounting Policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis. All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. PRINCIPLES OF CONSOLIDATION

Following subsidiary company, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statement as at reporting date 31.03.2023:

Name of the Entity	Relationship	% of Holding	Voting Power Either Directly or indirectly thought Subsidiary	Reporting date As at
Sotac Healthcare Private Limited	Subsidiary	71.00	Directly	March 31, '24
Sotac Research Private Limited	Subsidiary	100.00	Directly	March 31, '24
Sotac Lifesciences Private Limited	Subsidiary	54.27	Directly	March 31, '24

The Consolidated audited financial statements related to Sotac Pharmaceuticals Limited ("the company") and its subsidiary entity viz Sotac Healthcare Private Limited, Sotac Research Private Limited and Sotac Lifesciences Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the company and its subsidiary entity, used in the consolidation are drawn up to the same date as that of the company i.e. 31.03.2023
- ii. The financial statements of the Company and its subsidiary entity have been combined on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.
- iii. The excess of cost to the company of its investment in the subsidiary entity over its share of equity of the subsidiary entity, at the date on which the investment in the subsidiary entity were made, is recognized as 'Goodwill' being an asset in the consolidated financial statement and is tested for impairment on annual basis.
- iv. Goodwill arising on consolidation is not amortized but tested for impairment.

v. The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements.

C. USE OF ESTIMATES

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

D. REVENUE RECOGNITION:

(i) Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognized on accrual basis.

(iv) Income from export entitlement is recognized as on accrual basis.

E. FOREIGN CURRENCY TRANSACTIONS.

I) Initial recognition

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are Restated Standalone at the yearend rates.

II) Exchange difference

"Exchange differences arising on settlement of monetary items are recognized as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the yearend being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year. Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

III) Forward Exchange Contract

The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward contract is recognized as income or expense in the period in which such cancellation or renewal is made
The Foreign currency exposures that have not been hedged by a derivative instrument.

F. INVESTMENTS

"Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss."

G. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(i) Tangible Assets

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

H. DEPRECIATION AND AMORTISATION

Depreciation is calculated using the Written-down value over their estimated useful lives.

I. INVENTORIES:

Items of inventories are measured at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing material and fuel are determined on weighted average basis. Cost of WIP is determined on absorption costing method. Valuation of FG is cost or NRV, whichever is less.

J. IMPAIRMENT OF ASSETS:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The 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. Where 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. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit'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 years. Such reversal is recognized in the statement of profit and loss.

K. RETIREMENT BENEFITS:

(i) Short-term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service

(ii) Post-employment benefits:

Defined Contribution Plan: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit Plans: Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

"Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.'

L. BORROWING COST

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

M. EARNINGS PER SHARE:

"The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period."

N. TAXATION:

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognized only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognized. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

O. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

(i) Provisions

A provisions is recognized when the Company has a present obligation as a result of past event, if 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 obligation.

(ii) Contingent Liability

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(ii) Contingent Assets

Contingent Assets are neither recognized nor disclosed in the financial statements.

P. SEGMENT REPORTING

In accordance with the Accounting Standard 17 "segment reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), as the company is covered under categories of SMC companies, the said accounting standard is not applicable to it.

Q. CASH & CASH EQUIVALENTS

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

R. LEASES

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

S. GOVERNMENT GRANTS

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

SOTAC PHARMACEUTICALS LIMITED
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CIN : U24230GJ2015PLC085451
Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Schedule : 2 Share Capital

Particulars	As at 31st March '24	As at 31st March '23
<u>AUTHORIZED CAPITAL</u>		
1,15,00,000 (P.Y.1,15,00,000) Equity Shares of Rs. 10/- each.	1,150.00	1,150.00
	1,150.00	1,150.00
<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
1,10,50,000 (P.Y.80,50,000) Equity Shares of Rs. 10/- each.	1,105.00	805.00
Total	1,105.00	805.00

The details of share holders holding more than 5% of shares as at 31st March '24 are as follows:

Name of the Share Holder	As at 31st March '24	As at 31st March '23
Equity shares of Rs. 10 each		
Kiranben Baldevbhai Jotania		
- Number of shares	14,49,000	14,49,000
- Percentage holding (%)	13.11%	18.00%
Chetankumar Bachubhai Patel		
- Number of shares	10,69,250	10,69,250
- Percentage holding (%)	9.68%	13.28%
Dineshkumar Babulal Gelot		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%
Vishalkumar Devarajbhai Patel		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%
Shailesh V Patel		
- Number of shares	8,05,000	8,05,000
- Percentage holding (%)	7.29%	10.00%
Sharadkumar Dasharathbhai Patel		
- Number of shares	14,31,500	14,31,500
- Percentage holding (%)	12.95%	17.78%

The details of share holding of Promoters as at 31st March '24 are as follows:

Name of the Share Holder	As at 31st March '24		
	No. of Shares	% Held	% Change
Kiranben Baldevbhai Jotania	14,49,000	13.11%	4.89%
Chetankumar Bachubhai Patel	10,69,250	9.68%	3.60%
Dineshkumar Babulal Gelot	14,31,500	12.95%	4.83%
Vishalkumar Devarajbhai Patel	14,31,500	12.95%	4.83%
Sharadkumar Dasharathbhai Patel	14,31,500	12.95%	4.83%

The details of share holding of Promoters as at 31st March '23 are as follows:

Name of the Share Holder	As at 31st March '23		
	No. of Shares	% Held	% Change
Kiranben Baldevbhai Jotania	4,14,000	18.00%	0.00%
Chetankumar Bachubhai Patel	3,05,500	13.28%	0.00%
Dineshkumar Babulal Gelot	4,09,000	17.78%	0.00%
Vishalkumar Devarajbhai Patel	4,09,000	17.78%	0.00%
Sharadkumar Dasharathbhai Patel	4,09,000	17.78%	0.00%
Shailesh V Patel	2,30,000	10.00%	0.00%

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CIN : U24230GJ2015PLC085451

Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Reconciliation of equity share capital

Particulars	As at 31st March '24	As at 31st March '23
Balance at the beginning of the period/year		
- Number of shares	80,50,000	23,00,000
-Amount in Rs.	805.00	230.00
Add: Bouns Shares issued during the period/year		-
- Number of shares	-	57,50,000
-Amount in Rs.	-	575.00
Add : Addition During the Year		
- Number of shares	30,00,000	
-Amount in Rs.	300.00	
Balance at the end of the period/year		
- Number of shares	1,10,50,000	80,50,000
-Amount in Rs.	1,105.00	805.00
Closing Balance of Equity share capital	1,105.00	805.00

Note: Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In the Preivious Year 2022-23 the Company allotted of 57,50,000 bonus equity shares of Rs. 10/- each as fully paid- up against existing 23,00,000 equity shares of Rs.10/- each to the existing shareholders of the Company in the ratio of 5 : 2 (5 new equity shares of Rs. 10/- each fully paid up for each 2 exiting equity share of Rs. 10/- each fully paid-up).

The company had made an initial public offering (IPO) of 30,00,000 equity shares of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 111/- per equity share(including share premium of Rs. 101 per equity share) aggregating to Rs.3330.00/- Lakhs. The aforementioned equity shares of the company allotted as on 10th April '23 and got listed on NSE Emerge Platform on 13th April '23.

Schedule : 3 Reserve & Surplus

Particulars	As at 31st March '24	As at 31st March '23
<u>Balance in Statement of Profit & Loss</u>		
Balance as at the beginning of the year	159.95	95.19
Add : Current Year Profit after Dividend Declared	428.13	228.63
Less: Adjustment in Fixed Assets	-	(558.00)
Less : Bonus Share	-	(112.69)
Less : Prior Period Item	-	(0.88)
Prior Period Adjustment	-	(5.80)
Prior Period Adjustment -Deffered Government Grants	-	(15.26)
Less: Capital Profit/Loss transferred to calculation of Intrinsic Value	-	333.39
Less: Capital Profit/Loss Related to Minority Interest Transferred	-	136.05
Less: Revenue Profit/Loss Transferred to Minority Interest	-	59.32
Balance as at the end of the year	588.08	159.95
<u>Security Premium</u>		
Balance as at the beginning of the year	-	17.00
Less : Bonus Share	-	17.00
Add : Securities premium credited on Share issue	3,030.00	-
Less : IPO Expesnes	(227.75)	
Balance as at the end of the year	2,802.25	-
<u>Defered Government Grant</u>		
Balance as at the beginning of the year	33.93	-
Prior Period Item	(3.34)	37.26
Less :- Amortisation of Deferred Income	-	(2.50)
Balance at the end of the period/year	30.59	33.93
Total	3,420.92	191.35

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Note - 4 - Share Application Money Pending Allotment

Particulars	As at 31st March '24	As at 31st March '23
Share Application Money Pending Allotment	-	947.05
Total	-	947.05

Note: Initial Public offering of the company was initiated on 29th March, 2023 till 3rd April, 2023 the, company had received RS 947.05 Lakhs application money from anchore investors which has been shown under the head share application money pending allotment in the balance sheet.

Schedule : 5 Long Term Borrowings

Particulars	As at 31st March '24	As at 31st March '23
Secured :		
Term Loan From Bank:	1,361.34	1,108.76
Less : Current maturities of Long - Term Debt	(285.26)	(344.60)
Sub Total (a)	1,076.08	764.16
Unsecured :		
From Director & Related Party	137.03	12.73
Sub Total (b)	137.03	12.73
Total (a+b)	1,213.11	776.89

Refer Schedule - 5.1 - For Detailed Term & Condition related to Borrowing

Schedule : 6 Deferred Tax Liabilities (Net)

Particulars	As at 31st March '24	As at 31st March '23
Opening Balance		32.06
Add: Provision for the Period	-	(4.33)
Closing Balance	-	27.71

Schedule : 7 Long Term Provisions

Particulars	As at 31st March '24	As at 31st March '23
Provision for Gratuity	13.71	9.59
Total	13.71	9.59

Schedule : 8 Short Term Borrowing

Particulars	As at 31st March '24	As at 31st March '23
Axis Bank Cash Credit	985.00	1,079.89
Current maturities of Long - Term Debt	285.26	344.60
Unsecured :		
From Director & Related Party	2.50	2.50
Total	1,272.77	1,426.99

Refer Schedule - 8.1 - For Detailed Term & Condition related to Borrowing

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(Amount in Lakhs)

Schedule : 9 Trade Payable

Particulars	As at 31st March '24	As at 31st March '23
<u>Total outstanding dues of micro enterprise and small enterprise :</u>		
Less than 6 Months	1,427.81	513.89
6 Months- 1 year	1.12	13.28
1-2 Years	0.45	0.19
2-3 Years	-	-
More than 3 years	-	-
<u>Total outstanding dues other than micro enterprise and small enterprise</u>		
Less than 6 Months	1,459.49	1,889.98
6 Months- 1 year	0.25	121.03
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	0.25	0.99
Total	2,889.37	2,539.36

Note : The Company has initiated the process of identification of Vendors which falls under category of MSME, the disclosure relating to amount due to MSME are made to the extent information received.

Refer Note No - 29 - for Ageing of Trade Payable

Schedule : 10 Other Current Liabilities

Particulars	As at 31st March '24	As at 31st March '23
Statutory Dues	27.03	49.71
Advances from Customer	104.11	357.61
Other Current Liability	2.01	1.46
Total	133.15	408.77

Schedule : 11 Short Term Provisions

Particulars	As at 31st March '24	As at 31st March '23
Provision for Expenses	37.00	46.10
Provision For Gratuity (Short Term)	0.97	0.47
Provision For Tax F Y 2022-23	39.74	159.47
Total	77.71	206.04

Schedule : 13 Net Current Investment

Particulars	As at 31st March '24	As at 31st March '23
Investment in other Companies	209.61	-
Total	209.61	-

Schedule : 14 Deferred Tax Assets (Net)

Particulars	As at 31st March '24	As at 31st March '23
Opening Balance	(27.71)	-
Add: Provision for the Period	170.39	-
Closing Balance	142.66	-

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Schedules Forming Integral Part Of Balance Sheet as at 31st March '24

(Amount in Lakhs)

Schedule : 15 Long Term Loans and Advances

Particulars	As at 31st March '24	As at 31st March '23
Security Deposit		
Other Deposit	52.52	52.49
Other Loans & Advances		
Loans To Others	-	1.66
Total	52.52	54.15

Schedule : 16 Inventories

Particulars	As at 31st March '24	As at 31st March '23
Raw Material & Packing Material	1,060.84	778.99
Finished Goods	658.07	455.74
Work In Progress	82.09	129.51
Total	1,801.00	1,364.24

Note : Raw Material, Work in Progress and Stores and Spares are valued at landed Cost. Finished goods are valued at cost or net realisable value which ever is less.

Schedule : 17 Trade Receivables

Particulars	As at 31st March '24	As at 31st March '23
Others		
<u>Unsecured, Considered Good :</u>		
Less than 6 Months	2,520.35	1,394.47
6 Months to 1 Year	44.52	32.06
1 Year to 2 Years	34.05	26.28
2 Years to 3 Years	15.86	20.61
More Than 3 Years	13.99	0.64
Total	2,628.77	1,474.06

Refer Note No - 30 - for Ageing of Trade Receivable

Schedule : 18 Cash & Cash Equivalent

Particulars	As at 31st March '24	As at 31st March '23
Cash-in-Hand		
Cash Balance	40.41	18.19
Sub Total (A)	40.41	18.19
Bank Balance		
Axis Bank Ltd	277.74	2.92
Recurring Deposit	22.00	-
Axis Bank Public Issue	1.63	947.05
Sub Total (B)	301.37	949.97
Total [A + B]	341.78	968.16

Note:- Cash in hand is certified and verified by the management of the company as on last date of Respective Financial Year

Schedule :19 Short Terms Loans and Advances

Particulars	As at 31st March '24	As at 31st March '23
Advance to Others	-	1.00
Advance to Employee	16.80	-
Total	16.80	1.00

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(Amount in Lakhs)

Schedule :20 Other Current Assets

Particulars	As at 31st March '24	As at 31st March '23
Balance with government Authorities	1,025.80	686.23
FD with SIDBI	43.33	41.19
Subsidy Receivable	-	32.19
Pre IPO Exps	-	35.38
Other Deposit	52.09	17.19
Prepaid Expenses	13.87	5.54
Advances to supplier	141.10	88.69
Total	1,276.19	906.41

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(Amount in Lakhs)

Schedule : 21 Revenue from Operations

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Revenue from operations		
Domestic Sales		
Manufacturing Sales	10,344.66	7,690.86
Job Work	38.39	-
Export Sales		
Manufacturing Sales	-	57.47
Total	10,383.05	7,748.32

Schedule : 22 Other Income

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Freight income	-	1.64
Subsidy Income	5.00	4.21
Interest on Deposits	4.67	4.60
profit on equity share Investment	12.87	-
Dividend Income	0.50	-
Providend Fund Subsidy	-	0.19
Interest on I T Refund	0.17	0.04
Deferred Govt Income	3.33	-
Fire Claim Income	3.43	-
Balance Written off	10.11	
Other income	8.45	8.05
Scrap Income	-	16.23
Fuel Cashback Rebates	0.09	-
Total	48.62	34.96

Schedule : 23 Cost of Material Consumed

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Purchase of Raw Materials and Stores		
Opening Stock	778.99	773.43
Add: Domestic Purchases	8,057.54	6,120.80
Less: Closing Stock	1,060.84	778.99
Total	7,775.69	6,115.23

Schedule : 24 Purchase of Stock in Trade

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Stock In Trade		
Purchase of Stock-In- Trade	261.58	52.64
Total	261.58	52.64

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Schedules Forming Integral Part Of Profit & Loss as at 31st March '24

(Amount in Lakhs)

Schedule : 25 Change in Inventories

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Stock In Trade / Finished Goods		
Opening Stock	455.74	9.77
Less: Closing Stock	579.27	455.74
	(123.53)	(445.97)
WIP		
Opening Stock	129.51	134.52
Less: Closing Stock	82.09	129.51
	47.42	5.01
Total	(76.10)	(440.96)

Schedule : 26 Employment Benefit Expenses

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Salaries, Bonus, PF & ESIC	196.13	249.41
Staff Welfare Expense	3.82	4.92
Director Remuneration	195.00	165.00
Gratuity	4.62	3.37
Total	399.57	422.70

Schedule : 27 Financial Cost

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Interest to Bank:		
Interest on Short Term Loan	76.32	153.91
Interest on Long Term Loan	75.93	32.50
Others :		
Loan Processing Charges	6.49	10.98
Bank Charges	11.60	0.16
Total	170.34	197.55

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(Amount in Lakhs)

Schedule : 28 Other Expenses

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
AMC for ETP operation and Maintenance	2.97	3.28
Bank Charges	0.60	2.85
Web Sites development Expense	1.88	-
Laboratory Maintenance charges	6.82	7.79
Labour and Wages cost	426.59	262.96
Cylinder Charge	1.26	8.30
Loading and Unloading charges	5.31	1.55
Stereo Rubber expense	1.50	1.19
Electricity Expense	116.39	90.46
Demat Charges	5.27	-
CSR Expense	15.81	-
Frieght Expense	11.27	5.02
GIDC Water Expense	10.96	4.36
Production Expense	-	1.10
Audit Fees	8.73	7.28
Accounting & GST Fees	-	0.93
Amozon Purchase Expense	-	0.11
contract exp	141.75	-
Petrol & Conveyance Expense	0.81	4.79
Insurance Expense	10.15	11.38
FDA Test Expense & Government Fees	-	2.70
Office Expense	5.06	5.21
Annual Charges	0.25	-
ROC Expense	16.27	5.79
Consumable & Stores	44.88	81.28
Legal & Professional Expense	19.27	24.28
Internet Expense	0.97	0.82
Repairs & Maintaing to Building	9.33	0.60
Repair and Maintanance Expense	18.01	36.37
Postage and Courier Expense	0.27	0.50
Electric Bills Exp	69.97	37.22
Stationery and Printing Expense	16.11	11.36
Tea and Refreshment	3.66	2.42
Telephone and Mobile Expense	1.16	0.95
Office Rent	3.60	3.60
Laboratory and testing Expense	11.91	8.15
Misc Expense	0.39	34.72
Calibration Services	3.26	1.61
Consultancy and Service Expense	8.97	1.37
Factory and Maintanace Expense	5.31	10.23
Software Expense	0.28	0.50

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Schedules Forming Integral Part Of Profit & Loss as at 31st March '24

Particulars	(Amount in Lakhs)	
	For the year ended 31st March '24	For the year ended 31st March '23
Product Permission Expense	1.42	1.94
Interest on TDS	0.71	0.93
Computer & Maintaaince Expense	-	0.60
Medical Expense	3.72	1.35
Commission Expense	63.83	31.74
Advertising Expenses	0.47	2.96
Sitting charges	1.35	1.80
Discount Expense	0.13	1.24
House keeping Expense	22.10	4.98
License and Certificate Fees	0.41	0.46
Apron & Uniform Expense	4.30	2.16
Lab Chemical Purchase	2.96	8.33
Tender fees	0.88	-
Production Expense	4.07	0.35
Travelling Expense	0.18	11.22
Outward Freight Charges	1.00	3.63
Domain & Hosting Expense	-	0.77
Interest on late payment of PF & ESIC	2.14	2.82
Export Import expense	-	1.01
Administrative Expenses	0.02	0.08
Transport Expense	7.48	7.77
Tall Expense	0.53	0.61
Security Expense	7.24	12.61
Membership Fees	1.07	0.41
Professional Fees	7.07	37.27
Packing and Forwarding Charges	6.59	-
Loss & Destroyed A/c	9.98	-
Foreign Exchange Loss	0.72	-
Other Charges	-	0.66
AMC charges and contract	5.12	1.42
Donation Expense	-	1.01
Pf Penalty	-	0.31
GST Expenses	8.31	50.24
Total	1,170.77	873.69

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Notes to the Consolidated Financial Statements for the Year ended on 31st March '24

(Amount in Lakhs)

Note - 12: Property, Plant & Equipments, Right Of Use, Intangibles & Capital Work-In-Progress

A. PROPERTY, PLANT & EQUIPMENTS

Particulars	Land & Development	Buildng	Xerox M/c-Scarp	Plant & Machinery	Staff Bus	Electric & Fitting	Refrigerator	Eco/Maruti Car	Director Car	Furniture & Fixtures	Tiago xt ev	Computers & Printer	Office Equipment	Total
Gross Block														
As at 31 March '22	250.43	517.43	0.18	1,465.51	8.14	46.52	0.85	1.39	71.89	87.37	-	13.45	-	2,463.16
Additions	141.72	327.09	0.07	207.83	0.07	51.77	0.24	2.05	26.81	17.87	-	2.68	-	778.22
Disposals/ Adjustments	-	0.48	-	18.37	-	-	-	0.20	-	-	-	-	-	19.05
Adjustment	-	17.06	-	95.97	-	3.03	-	-	-	5.91	-	1.08	-	123.05
As at 31 March '23	392.16	826.99	0.25	1,559.00	8.21	95.26	1.09	3.24	98.70	99.33	-	15.05	-	3,099.28
Additions	481.94	81.46	-	563.20	-	57.88	-	-	-	77.83	10.88	7.19	1.04	1,281.41
Disposals/ Adjustments	-	12.38	-	-	-	0.36	-	-	-	-	-	0.56	-	13.29
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March '24	874.09	896.07	0.25	2,122.20	8.21	152.78	1.09	3.24	98.70	177.16	10.88	21.68	1.04	4,367.40
Accumulated Depreciation														
As at 31 March '22	-	50.36	0.06	352.71	4.29	11.37	0.22	0.73	37.88	21.25	-	7.59	-	486.47
Depreciation charge for the year	-	51.43	0.10	139.12	1.21	4.95	0.12	0.78	18.09	9.66	-	2.11	-	227.57
Reversal on Disposal/ Adjustments	-	-	-	5.29	-	-	-	-	-	-	-	-	-	5.29
Adjustment	-	0.12	-	3.64	-	0.45	-	-	-	5.13	-	1.02	-	10.36
As at 31 March '23	-	101.68	0.16	482.90	5.50	15.87	0.34	1.51	55.97	25.78	-	8.68	-	698.39
Depreciation charge for the year	-	61.67	0.06	193.08	0.85	13.01	0.11	0.54	14.06	23.20	0.39	2.55	-	309.52
Reversal on Disposal/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March '24	-	163.35	0.22	675.98	6.35	28.88	0.44	2.05	70.03	48.98	0.39	11.22	-	1,007.90
Net Block														
Balance as on 31 March '23	392.16	725.31	0.09	1,076.09	2.72	79.39	0.75	1.73	42.73	73.55	-	6.37	-	2,400.89
Balance as on 31 March '24	874.09	732.72	0.03	1,446.22	1.86	123.90	0.65	1.19	28.66	128.18	10.48	10.46	1.04	3,359.50

B. CWIP

Particulars	Building	Total
Gross Block		
As at 31 March '22	-	-
Additions	4.06	4.06
Disposals/ Adjustments	-	-
As at 31 March '23	4.06	4.06
Additions	512.43	512.43
Disposals/ Adjustments	-	-
As at 31 March '24	516.49	516.49
Accumulated Depreciation		
As at 31 March '22	-	-
Depreciation charge for the year	-	-
Reversal on Disposal/ Adjustments	-	-
As at 31 March '23	-	-
Depreciation charge for the year	-	-
Reversal on Disposal/ Adjustments	-	-
As at 31 March '24	-	-
Net Block		
Balance as on 31 March '23	-	4.06
Balance as on 31 March '24	-	516.49

C. INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross Block		
As at 31 March '22	0.67	0.67
Additions	0.03	0.03
Disposals/ Adjustments	-	-
As at 31 March '23	0.70	0.70
Additions	1.50	1.50
Disposals/ Adjustments	-	-
As at 31 March '24	2.20	2.20
Accumulated Depreciation		
As at 31 March '22	0.16	0.16
Depreciation charge for the year	0.21	0.21
Reversal on Disposal of Assets	-	-
As at 31 March '23	0.37	0.37
Depreciation charge for the year	0.54	0.54
Reversal on Disposal of Assets	-	-
As at 31 March '24	0.91	0.91
Net Block		
Balance as on 31 March '23	0.34	0.34
Balance as on 31 March '24	1.30	1.30

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Note : 29 Trade Payables Aging Schedules

(Amount in Lakhs)

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1 year	1 -2 year	2-3 Years	2-3 Years	More than 3 years	
MSME	1,427.81	1.12	0.45				1,429.38
Others	1,459.49	0.25				0.25	1,459.99
Disputed Dues-MSMEs							-
Disputed Dues-Others							-
Total	2,887.30	1.37	0.45	-	-	0.25	2,889.37

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1 year	1 -2 year	2-3 Years	2-3 Years	More than 3 years	
MSME	513.89	13.28	0.19				527.36
Others	1,889.98	121.03				0.99	2,012.00
Disputed Dues-MSMEs							-
Disputed Dues-Others							-
Total	2,403.87	134.31	0.19	-	-	0.99	2,539.36

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Note : 30 Trade Receivables Aging Schedules

(Amount in Lakhs)

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables-Considered Good	2,520.35	44.52	34.05	15.86	13.99	2,628.77
Undisputed Trade Receivables-Considered Doubtful						-
Disputed Trade Receivables-Considered Good						-
Disputed Trade Receivables-Considered Doubtful						-
Total	2,520.35	44.52	34.05	15.86	13.99	2,628.77

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables-Considered Good	1,394.47	32.06	26.28	20.61	0.64	1,474.06
Undisputed Trade Receivables-Considered Doubtful						-
Disputed Trade Receivables-Considered Good						-
Disputed Trade Receivables-Considered Doubtful						-
Total	1,394.47	32.06	26.28	20.61	0.64	1,474.06

SOTAC PHARMACEUTICALS LIMITED
(Fomerly known as Sotac Pharmaceuticals Private Limited)
CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

(Amount in Lakhs)

Schedule 5.1: Consolidated Statement of Details regarding Long Term Loan From Bank (Secured & Unsecured)

SNo.	Lender	Nature of Facility	Loan	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
Long Term Borrowings (secured & Unsecured)								
Sotac Pharmaceuticals Limited (Foremerly Known as Sotac Pharmaceuticals Private Limited)								
1	Axis Bank	Term Loan-1	288.00	207.90	Repo Rate+3.0%	In equal 60 monthly instalments of Rs. 535000/- each after the date of first disbursement.	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS	(A) Immoveable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1. Dineshkumar Babulal Gelot 2. Vishalkumar Patel 3. Sharadkumar Patel 4. Chetankumar Patel 5. Pinki Sharadkumar Patel 6. Kiran Baldevbhai Jatania 7. Sarojben Dineshkumar Gelot 8. Vasantkumar Patel 9. Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS
2	Axis Bank	WCTL under ECGLS I (Existing)	21.00	23.60	Repo Rate+3.0%	Balance tenor 26 Months		
3	Axis Bank	WCTL under ECGLS II (New)	24.00	1.10	Repo Rate+3.0%	60 months (including 24 months moratorium)		
4	ICICI Bank	EV Auto Loan	13.00	7.84	8.30%	48 Monthly Installment Of Rs.31,943. From the date of First Disbursement	Primary Security Vehicle	-

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5	SIDBI	Term Loan	50.00	14.85	5.00%	15 monthly instalments comprising first 14 monthly instalment of Rs. 3,33,000/- each followed by 15th monthly instalment of Rs. 3,38,000/- after a moratorium of 3 months from the date of first disbursement of the loan.	1.All Current Asset of Company including but not Limiting to all Stock of raw materials, WIP,Semi Finished goods, Finished goods, Packing Materials, Stores Etc. 2. FDRs Issued by SIDBI for Rs.12.50 Lakhs.	If at any time during the currency of the loan, SIDBI is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the loan then outstanding,
6	SIDBI	Working Capital Term Loan	100.00	55.60	5.50%	15 monthly instalments comprising first 14 monthly instalment of Rs. 6,66,000/- each followed by 15th monthly instalment of Rs. 6,76,000/- after a moratorium of 3 months from the date of first disbursement of the loan.	1. Hypothecation of all Current Asset of Company including but not Limiting to all Stock of raw materials, WIP,Semi Finished goods, Finished goods, Packing Materials, Stores Etc. 2. FDRs Issued by SIDBI for Rs.25.00 Lakhs.	then, on SIDBI advising the Borrower to that effect, the Borrower shall provide and furnish to SIDBI to their satisfaction such additional security as may be acceptable to SIDBI to cover such deficiency.
7	Axis Bank	Cash Credit	200.00	156.67	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i) Duly Signed Standing Instruction Form With One Undated Cheque With Amount Kept Blank To be Obtained, However "Not Exceeding Amount< Sanction Loan Amount> to be Written on Cheque. ii) Extention Of First Charge by Way of Hypothecation Over Entire Current Asset of the Company(Both Existing & Future). Including Receivable and Inventory.	(A) Immovable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Vishalkumar Patel 3.Sharadkumar Patel 4.Chetankumar Patel 5.Pinki Sharadkumar Patel 6.Kiran Baldevbhai Jatania 7.Sarojben Dineshkumar Gelot 8.Vasantkumar Patel 9.Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS

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(Amount in Lakhs)

8	Axis Bank	Term Loan	200.00	157.86	Repo Rate+2.75%	60 monthly instalments comprising first 59 monthly instalment of Rs. 3,33,300/- each followed by 60 th monthly instalment of Rs. 3,35,300/-	i)First and Exclusive Charge by Way of Hypothecation Over Entire Movable Fixed Asset of Company Present and Future Except the one Charged to SIDBI against the TL availed of Rs.1.50. Cr ii)First Charge by Way of Mortgage of Property Situated at Industrial Plot-Final Plot No. 22/A at Sanand-II Industrial estate Consisting. Revenue Survey no. 37/P, 38/P, 39/P, 40/P with the Village limits of Chhatral Taluka Sanand Dist. Ahmedabad. Having Area 2791.50 Sq.mt. Owned by Sotac Pharmaceutical Pvt. Ltd.	-	
Sotac Healthcare Private Limited									
9	Axis Bank	Term loan	335.00	95.00	Repo Rate + 3.50%	47 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant& Machinery financed out of Term Loan of the Company both present & future	(A)Immmovable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B)Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Kamleshbhai Patel 3.Sharadkumar Patel 4.Mukeshbhai Patel (C)Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM	
10	Axis Bank	ECLGS	62.00	2.47	Repo Rate + 3.75%	36 months			
11	Unsecured Loan from Directors and Others	Loan	-	137.03	15.00%	Repayable on Demand	Unsecured loan	-	
Sotac Research Private Limited									
12	ICICI Bank	Auto Loan	13.00	7.84	8.30%	48 Months	Primary Security Vehicle	-	

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(Amount in Lakhs)

Sotac Lifescience Private Limited								
13	Axis Bank	Building construction and purchase of plant & machinery loan	850.00	630.61	9.50%	84 Months	1) Hypothecation of entire current assets of the borrower, both present and future 2) Hypothecation of entire Fixed Assets of the borrower. both present and future	1) Industrial Property situated at Plot No. PF59, Nr. ACME Pharma Opp. Teva Pharma, Sanand GOCU. Sanand. Ahmedabad. Gujarat. India - 382110 (Owner - Sotac Lifesciences Private Limited) 2) Plot No. PF-21 . Nr. Acme Pharma. Opp. Teva Pharma. Choral Industrial Estate. Sanand GIDCI. Sanand. Ahmedabad -382110. Gujarat (Owner - Sotac Pharmaceutical Limited)

Schedule 8.1: Consolidated Statement of Details regarding Short Term Loan From Bank (Secured)

SNo.	Lender	Nature of Facility	Loan	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Term	Security/ Principal terms and conditions	Collateral Security/ other Condition
Short Term Borrowings (secured & Unsecured)								
Sotac Pharmaceuticals Limited (Formerly Known as Sotac Pharmaceuticals Private Limited)								
1	Axis Bank	Cash Credit	600.00	491.18	Repo+2.75% -9.007 at present	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant& Machinery financed out of Term Loan of the Company both present & future *Ranking: Exclusive *Ranking: Second Charge for WCTL for ECGLS	(A) Immovable Property situated at Plot No. 21, SRV no 37/p, 39/p Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1.Dineshkumar Babulal Gelot 2.Vishalkumar Patel 3.Sharadkumar Patel 4.Chetankumar Patel 5.Pinki Sharadkumar Patel 6.Kiran Baldevbhai Jatania 7.Sarojben Dineshkumar Gelot 8.Vasantkumar Patel 9.Dhara Chetankumar Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd *Ranking: First & Exclusive Charge by way of EM over CC & TL *Ranking: Second Charge for WCTL for ECGLS

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(Amount in Lakhs)

Sotac Healthcare Private Limited

2	Axis Bank	Cash Credit	350.00	493.82	Repo Rate + 3.50%	12 months	Movable Property Details: Hypothecation of entire current assets including stock & book debts (both present & future) and movable fixed assets including Plant & Machinery financed out of Term Loan of the Company both present & future	(A) Immoveable Property situated at Plot No. 20, Sanand GIDC-II, Sanand, ahmedabad, Gujarat-382110 (B) Personal Guarantee of 1) Dineshkumar Babulal Gelot 2) Kamleshbhai Patel 3) Sharadkumar Patel 4) Mukeshbhai Patel (C) Corporate Guarantee of Sotac Pharmaceuticals Pvt Ltd Ranking: Exclusive Charge by way of EM
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Sotac Research Private Limited

4	Unsecured Loan from Directors and others	-	-	2.50	-	Repayable on Demand	-	-
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- 29 In compliance to Accounting Standard 20 on "Earning per share", the calculation of Earnings per Share (Basic and diluted) is as under:

Particulars	(Amount in Lakhs)	
	For the Year ended 31st March '24	For the Year ended 31st March '23
A. Profit/Loss attributable to Equity Shareholders	574.88	449.55
B. Weighted average No. of Shares	1,09,76,230	80,50,000
C. Nominal value of equity share	10.00	10.00
D. Basic EPS (Rs.) (A)/(B)	5.24	5.58
E. Diluted EPS (A)/(B)	5.24	5.58

30 **Contingent Liabilities:-**

**Contingent Liabilities, not provided for:
(As Certified by the Management)**

Particulars	As at 31st March '24	As at 31st March '23
Claims against the Company not acknowledged as debt		
Custom Duty saved on import of Capital Goods under EPCG	-	-
Direct Tax *	24.39	-
Indirect Tax/ Other Tax Liability**	-	-

- 31 Previous years' figures are regrouped or rearranged or reclassified wherever necessary in order to confirm to the current years' grouping and classifications.

- 32 Figures have been rounded off to the nearest rupee.

The Company has adopted accounting standard 15 on employee benefits as per Actuarial Valuation carried by an

- 33 independent actuary in the Books of Accounts of the Company and the Disclosure relating to the same which is envisaged under the standard are disclosed as under:

Gratuity:

01. Valuation Assumption:

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Retirement Age	60 Years	60 Years
Attrition Rate	5% to 1%	5% to 1%
<u>Financial Assumption:</u>		
Salary Escalation Rate	6.00% p.a	6.00% p.a
Discount Rate	7.21% p.a	7.40% p.a

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(Amount in Lakhs)

02. Valuation Result:

Particulars	For the year ended 31st March '24	For the year ended 31st March '23
Projected Benefit Obligation	13.32	9.01
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	0.95	0.45
Non Current Liability	12.37	8.56

34 Additional Information

a) Payment to auditor

Payment to Statutory Auditor as	For the year ended 31st March '24	For the year ended 31st March '23
Audit Fees	1.50	1.25

For, Keyur Shah & Co.
F.R No: 141173W
Chartered Accountants

SD/-
Keyur Shah
Proprietor
M No. : 153774

Place: Ahmedabad
Date: 17th May '24

For, Sotac Pharmaceuticals Limited

SD/-
Sharad Patel
Managing Director
DIN: 07252252

SD/-
Brijeshkumar Patel
Chief Financial Officer

Place: Ahmedabad
Date: 17th May '24

SD/-
Dineshkumar Gehlot
Whole time Director
Din: 07252132

SD/-
Niyati Parikh
Company Secretary
M No. : F12289

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Notes to the Consolidated Financial Statements for the Year ended on 31st March '24

Note 37 : Standalone Statement of Related Party Transaction

Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel	Sharadkumar Dasrathbhai Patel Vishalkumar Devrajbhai Patel Chetankumar Bachubhai Patel Dineshkumar Babulal Gelot Brijeshkumar Ranchhodhbhai Patel (CFO) Pooja Bagrecha (CS) * Niyati Dipesh Parikh (CS) **
2.	Relatives of Key Person	Dashrathbhai Ramabhai Patel Kamleshbhai J Patel Narmadaben Dashrathbhai Patel Bhavnaben Manishbhai Patel Tejaben Babulal Mali Varshaben Kapilkumar Solanki Ranjanben Shashikant Patel Sarojaben Patel Mitul Shaileshkumar Patel Shaileshkumar V Patel Vasantkumar D Patel Patel Trading Company Saral Pharma Ahura Salt Works Suchiben Kalpeshkumar Chandaben G Shah Mona Nirbhay Desai Babubhai Mali Kapilkumar Chunilal Chetankumar Prahaladbhai Patel Pinki Sharadbhai Patel Dhara Chetankumar Patel Kiran Baldevbhai Jotania Baldevbhai T Jotania Kalpeshkumar Babulal Gelot Manishkumar Madhubhai Patel Pragnaben N Patel Meenaben Bharatbhai Patel Bharatbhai V Patel

* Pooja Bagrecha (Company Secretary) has been resigned on 5th August '23

** Niyati Dipesh Parikh (Company Secretary) has been Appointed on 11th August '23

Note: Related parties are identified by the Mangagemnt and relied up on by the Auditor.

(Amount in Lakhs)

A) Transaction for the year ended 31st March '24

Sr. No.	Nature of Transaction	Transaction for the year ended 31st March'24	Transaction for the year ended 31st March'23
(A)	Volume of Transactions		
I)	<u>Remuneration to KMP & Relatives</u>		
1	Sharadbhai D Patel	48.00	37.80
2	Vishalkumar D Patel	48.00	37.80
3	Chetanbhai B Patel	48.00	23.00
4	Dineshbhai B Gelot	48.00	37.80
5	Kamleshbhai J Patel	3.00	14.80

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(Amount in Lakhs)

II) Unsecured Loan Taken		
1	Sharadbhai D Patel	100.00
2	Dineshkumar B Gelot	-
3	Vishalkumar D Patel	-
4	Chetanbhai B Patel	-
5	Dashrathbhai Ramabhai Patel	-
6	Narmadaben Dashratbhai Patel	-
7	Bhavnaben Manishbhai Patel	-
8	Tejaben Babulal Mali	-
9	Kalpeshkumar Babulal Gelot	-
10	Varshaben Kapilkumar Solanki	-
11	Ranjanben Shashikant Patel	-
12	Sarojaben Patel	-
13	Patel Trading Company	-
14	Saral Pharma	-
15	Ahura Salt Works	-
16	Suchiben Kalpeshkumar	-
17	Chandaben G Shah	-
18	Mona Nirbhay Desai	-
19	Babubhai Mali	-
20	Kapilkumar Chunilal	-
21	Manishkumar Madhubhai Patel	-
22	Pragnaben N Patel	-
23	Meenaben Bharatbhai Patel	-
24	Bharatbhai V Patel	-
25	Kamleshbhai joitaram patel	-
26	Hetal Amitkumar Patel	-
III) Unsecured Loan Repaid		
1	Sharadbhai D Patel	30.00
2	Dineshkumar B Gelot	-
3	Vishalkumar D Patel	-
4	Chetanbhai B Patel	-
5	Dashrathbhai Ramabhai Patel	-
6	Narmadaben Dashratbhai Patel	-
7	Bhavnaben Manishbhai Patel	-
8	Tejaben Babulal Mali	-
9	Kalpeshkumar Babulal Gelot	-
10	Varshaben Kapilkumar Solanki	-
11	Ranjanben Shashikant Patel	-
12	Sarojaben Patel	-
13	Patel Trading Company	-
14	Saral Pharma	-
15	Ahura Salt Works	-
16	Suchiben Kalpeshkumar	-
17	Chandaben G Shah	-
18	Mona Nirbhay Desai	-
19	Babubhai Mali	-
20	Kapilkumar Chunilal	-
21	Manishkumar Madhubhai Patel	-
22	Hetal Amitkumar Patel	-

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(Amount in Lakhs)

IV)	<u>Purchase</u>		
1	Pinki Sharadbhai Patel	-	2.65
2	Dhara Chetankumar Patel	-	0.13
3	Sarojaben Patel		0.13
4	Kiran Baldevbhai Jotania	-	13.02
5	Mitul Shaileshkumar Patel	-	2.75
6	Shaileshkumar V Patel	-	6.12
V)	<u>Reimbursement of Expenses</u>		
1	Sharadbhai D Patel	-	16.19
2	Dineshbhai B Gelot	-	14.02
3	Vishalkumar D Patel	-	29.45
4	Kamleshbhai j Patel	-	1.14
5	Chetankumar Bachubhai Patel		11.47
(VI)	<u>Salary</u>		
1	Pinki Sharadbhai Patel	-	2.00
2	Dhara Chetankumar Patel	-	2.00
3	Sarojaben Patel	-	2.00
4	Kiran Baldevbhai Jotania	-	2.00
5	Vasantkumar D Patel	-	2.13
6	Brijeshkumar Ranchhodhbhai Patel	6.28	-
7	Pooja Bagrecha	0.50	-
8	Niyati Dipesh Parikh	1.20	-
(VII)	<u>Loans & Advances Given</u>		
1	Chetankumar Bachubhai Patel	-	2.50
	<u>Loans & Advances repaid</u>		
1	Chetankumar Bachubhai Patel	-	2.81
(B)	<u>Balance Outstanding</u>		
Sr. No.	Nature of Transaction	As at 31st March'24	As at 31st March'23
I)	<u>Unsecured Loan</u>		
	Sharadbhai D Patel	70.50	0.50
	Chetankumar Bachubhai Patel	0.50	
	Hetal Amitkumar Patel	-	1.00
	Vishalkumar D Patel	0.50	5.23
	Dineshbhai B Gelot	0.50	0.50
II)	<u>Trade Payables</u>		
	Pinki Sharadbhai Patel	-	1.01
III)	<u>Reimbursement of Expenses</u>		
	Dineshbhai B Gelot	-	0.20
	Vishalkumar D Patel	-	(1.42)
	Kamleshbhai j Patel	-	(0.11)
IV)	<u>Loans and Advances</u>		
	Chetankumar Bachubhai Patel	-	0.50

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Notes to the Consolidated Financial Statements for the period ended 31st March '24

Note - 38 - Additional regulatory information

A)The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

B)The Company does not have any investment property.

C)The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

D)There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st March '24:

(i) repayable on demand; or

(ii) without specifying any terms or period of repayment

E)No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

F)The company is not declared willful defaulter by any bank or financial institution or other lender.

G)The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

I) The company has not advanced or loan or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

K) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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Notes to the Consolidated Financial Statements for the period ended 31st March '24

M) The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are applicable to the Company for the Financial year 2023-24 and Details of the required CSR Spending are as follows:

(Amount in Lakhs)		
SR No	Year Ended	Prescribed CSR Expenditure
1	31/Mar/24	11.83

(Amount in Lakhs)		
SR No	Year Ended	Other Than Construction/Acquisition of Assets
1	31/Mar/24	15.81

(Amount in Lakhs)		
SR No	Year Ended	Other Than Construction/Acquisition of Assets
1	31/Mar/24	Nil

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Notes to the Standalone Financial Statements for the Period ended 31st March '24

Note - 37 - Accounting Ratios:

(Amount in Lakhs)

Ratio	As at 31 March '24	As at 31 March '23	% Change
A Current ratio (In times)			
Current Assets	4,674.61	3,660.64	
Current Liabilities	2,327.80	2,711.35	
Current ratio (In times)	2.01	1.35	48.74%
B Debt-Equity Ratio (in times)			
Total Debts	1,116.61	1,065.81	
Share Holder's Equity + RS	4,827.44	1,151.98	
Debt-Equity Ratio	0.23	0.93	-75.00%
C Debt Service Coverage Ratio(in times)			
Earning available for debt service	927.33	789.26	
Interest + installment	257.18	98.77	
Debt Service Coverage Ratio,	3.61	7.99	-54.88%
D Return on Equity Ratio (in %)			
Net After Tax	574.88	449.55	
Average Share Holder's Equity	2,989.71	930.95	
Return on Equity Ratio,	19.23%	48.29%	-60.18%
E Inventory Turnover Ratio (In times)			
Cost of Goods Sold	4,519.99	4,006.60	
Average Inventory	1,030.22	748.79	
Inventory Turnover Ratio	4.39	5.35	-18.00%
F Trade Receivables turnover ratio (In times)			
Net Credit Sales	6,710.50	5,798.28	
Average Receivable	1,675.44	1,201.88	
Trade Receivables turnover ratio	4.01	4.82	-16.98%
G Trade payables turnover ratio (In times)			
Credit Purchase	4,664.21	4,425.26	
Average Payable	1,647.25	1,898.57	
Trade payables turnover ratio (In times)	2.83	2.33	21.48%
H Net capital turnover ratio (In times)			
Revenue from Operations	6,710.50	5,798.28	
Net Working Capital	2,346.81	949.29	
Net capital turnover ratio	2.86	6.11	-53.19%
I Operating Profit Margin Ratio (In %)			
Operating Profit	900.23	682.59	
Revenue form Operation	6,710.50	5,798.28	
Operating Profit Margin Ratio	13.42%	11.77%	13.96%
J Net profit ratio (in %)			
Net Profit	574.88	449.55	
Revenue form Operation	6,710.50	5,798.28	
Net profit ratio	8.57%	7.75%	10.49%

SOTAC PHARMACEUTICALS LIMITED
(Formerly known as Sotac Pharmaceuticals Private Limited)

CIN : U24230GJ2015PLC085451

Plot No PF-21, Nr. ACME Pharma, Opp. Teva Pharma, Sanand GIDC-II, Ahmedabad-382110

Notes to the Standalone Financial Statements for the Period ended 31st March '24

Note - 37 - Accounting Ratios:

(Amount in Lakhs)

Ratio	As at 31 March '24	As at 31 March '23	% Change
J Return on Capital employed (in %)			
Earning Before Interest and Taxes	900.23	682.58	
Capital Employed	5,268.38	1,811.33	
Return on Capital employed	17.09%	37.68%	-54.66%
K Return on investment (in %)			
Income Generated from Investment Funds			
Invested funds	N/A	N/A	
* Reason for variance			

A Current ratio (In times)

During the year, Company received money against the share allotment which is disclosed in the Cash and Cash Equivalents, on account of that current assets increased in current year from previous year, since current ratio improved.

B Debt-Equity Ratio (in times)

During the year 2023-24, total Equity has been Increased as Compare to the Previous Year from 1151.98 to 4827.44 but total debts has not been increased in the ratio of total Equity, due to that Debt-Equity ratio has been decreased from

C Debt Service Coverage Ratio(in times)

During the year 2023-24, Installments has been Increased as Compare to the Previous Year from 98.77 to 257.18 but Earning Available for debt has not been increased in the ratio of Installments, due to that Debt-Service Coverage ratio has been decreased from 7.99% to 3.61%.

D Return on Equity Ratio (in %)

During the year 2023-24, Average Equity has been Increased as Compare to the Previous Year from 930.95 to 2989.71 but Net After Tax has not been increased in the ratio of Average Equity, due to that Debt-Equity ratio has been decreased from 48.29% to 19.23%.

H Net capital turnover ratio (In times)

During the Year 2023-24, Net Working Capital has been Increased from 949.29 to 2346.81 but Revenue from operation has not been Increased as compared to the Increase in Net working capital due to that Net Capital Turnover ratio has been declined.

J Return on Capital employed (in %)

During the Year 2023-24, Capital Employed has been Increased from 1811.33 to 5268.38 but Earning before Interest and Taxes has not been Increased as compared to the Increase in Capital Employed due to that Return on Capital Employed ratio has been declined.

For, Keyur Shah & Co.

F.R No: 141173W

Chartered Accountants

SD/-

Keyur Shah

Proprietor

M No. : 153774

Place: Ahmedabad

Date: 17th May '24

For, Sotac Pharmaceuticals Limited

SD/-

Sharad Patel

Managing Director

DIN: 07252252

SD/-

Brijeshkumar Patel

Chief Financial Officer

SD/-

Dineshkumar Gehlot

Whole time Director

Din: 07252132

SD/-

Niyati Parikh

Company Secretary

M No. : F12289

Place: Ahmedabad

Date: 17th May '24