

JSC "Kept"
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kept

Independent Auditors' Report on Financial Information Prepared for Consolidation Purposes

To the Management and Shareholders of CJSC "TORRENT PHARMA"

Opinion

We have audited the financial information as at and for the year ended 31 March 2024 prepared for consolidation purposes of Closed Joint Stock Company "TORRENT PHARMA" (the "Company"), on pages 1 to 6 of the accompanying financial reporting package.

In our opinion, the financial information as at and for the year ended 31 March 2024 is prepared, for the purpose described, in all material respects, in accordance with the accounting policy of Torrent Pharmaceuticals Limited.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Information* section of our report. We are independent of the Company in accordance with the independence requirements that are relevant to our audit of the (consolidated) financial statements in the Russian Federation and with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter – Restriction on Use

This financial information is prepared in accordance with the accounting policy of Torrent Pharmaceuticals Limited and it and the related auditors' report are not suitable for another purpose.

Responsibilities of Management for the Financial Information

Management is responsible for the preparation of the financial information in accordance with the accounting policy of Torrent Pharmaceuticals Limited, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

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

Engaging entity: CJSC "TORRENT PHARMA"
Registration number in the Unified State Register of Legal Entities:
No. 1027739100553

Audit firm: JSC "Kept"
Principal registration number of the entry in the Register of Auditors and
Audit Organizations No. 12006020351

Auditors' Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 this financial information.

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

- Identify and assess the risks of material misstatement of the financial information, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 auditors' report to the related disclosures in the financial information 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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.



Belyatski, Ilya
Kept
Moscow, Russia

15 April 2024

CJSC "TORRENT PHARMA"
Statement of Financial Position

	Notes	As at 31-Mar-2024 RUB	As at 31-Mar-2023 RUB
ASSETS			
Non-current assets			
Property, plant and equipment		32,857	32,857
Deferred tax assets (net)		9,027,894	8,806,497
		<u>9,060,751</u>	<u>8,839,354</u>
Current assets			
Inventories	3	261,813,161	203,482,453
Trade receivables	4	489,366,888	514,129,675
Cash and cash equivalents	5	37,362,029	47,773,968
Other financial assets	1	3,032,365	2,307,949
Assets for Current Tax (net)		11,324,098	30,550,180
Other current assets	2	4,631,063	7,587,405
		<u>807,529,604</u>	<u>805,831,629</u>
TOTAL		<u>816,590,356</u>	<u>694,083,285</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	2,380,200	2,380,200
Other equity	7	674,967,517	519,344,390
		<u>677,347,717</u>	<u>521,724,590</u>
Current liabilities			
Financial liabilities			
Trade payables		124,279,545	285,373,902
Other financial liabilities	8	11,731,274	5,037,735
		<u>136,010,819</u>	<u>290,411,636</u>
Other current liabilities	10	378,595	-
Provisions	9	2,853,225	2,534,758
		<u>139,242,639</u>	<u>292,946,394</u>
TOTAL		<u>816,590,356</u>	<u>814,670,984</u>

Signature to the Statement of Financial Position
CJSC "TORRENT PHARMA"

Suprit Agrawal
General Director
Moscow, Russia
Date: 15 April 2024



CJSC "TORRENT PHARMA"

Statement of Profit or Loss and Other Comprehensive Income

	Notes	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
		RUB	RUB
REVENUE			
Revenue from operations	11	1,427,116,277	1,305,105,865
Total Revenue		1,427,116,277	1,305,105,865
EXPENSES			
Purchases of stock-in-trade		1,233,259,048	962,358,506
Changes in inventories of finished goods, work-in-progress and stock-in-trade	12	(58,330,708)	79,715,713
Employee benefits expense	13	20,508,335	18,057,317
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	14	36,967,786	41,025,617
Total Expenses		1,232,404,461	1,101,157,152
Exceptional items (net)		-	-
PROFIT BEFORE TAX		194,711,816	203,948,713
TAX EXPENSE			
Current tax		39,310,086	35,234,556
Deferred tax charge / (credit)		(221,397)	5,635,537
		39,088,688	40,870,094
NET PROFIT FOR THE YEAR		155,623,127	163,078,619
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		155,623,127	163,078,619

Signature to the Statement of Financial Position

CJSC "TORRENT PHARMA"

Suprit Agrawal

General Director

Moscow, Russia

Date: 15 April 2024



CJSC "TORRENT PHARMA"

Statement of Cash Flows

	Period ended 31-Mar-2024	Period ended 31-Mar-2023
A CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	194,711,816	203,948,713
Adjustments for :		
Allowance for Impairment of Inventories	(2,163,313)	(32,939,588)
Allowance for Sales Bonuses	(3,068,300)	(6,954,900)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	189,480,202	164,054,224
Adjustments for changes in working capital :		
Trade Receivables, Loans & Advances and Other Assets	45,999,397	(184,515,464)
Inventories	(56,167,395)	112,655,302
Trade Payables, Liabilities and Provisions	(150,635,456)	(28,581,120)
CASH GENERATED FROM OPERATIONS	28,676,749	63,612,942
Direct Taxes	(39,088,688)	(40,870,094)
NET CASH FROM OPERATING ACTIVITIES	(10,411,940)	22,742,848
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,411,940)	22,742,848
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	47,773,967	25,031,119
CASH AND CASH EQUIVALENTS AT END OF YEAR	37,362,028	47,773,967
Note: Cash and Cash Equivalents as at end of the year		
Cash and Bank balances as per Note -5	37,362,028	47,773,967
	37,362,028	47,773,967

Signature to the Statement of Financial Position

CJSC "TORRENT PHARMA"

Suprit Agrawal

General Director

Moscow, Russia

Date: 15 April 2024



CJSC "TORRENT PHARMA"
Notes to the Financial Information

NOTE - 1 : OTHER FINANCIAL ASSETS

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Current		
Other receivables	3,032,365	2,307,949
	<u>3,032,365</u>	<u>2,307,949</u>
	<u>3,032,365</u>	<u>2,307,949</u>

NOTE - 2 : OTHER CURRENT ASSETS

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Current		
Indirect tax recoverable	4,631,063	7,587,405
	<u>4,631,063</u>	<u>7,587,405</u>
	<u>4,631,063</u>	<u>7,587,405</u>

NOTE - 3 : INVENTORIES

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Finished goods	261,813,161	203,482,453
Stock-in-trade	<u>261,813,161</u>	<u>203,482,453</u>

NOTE - 4 : TRADE RECEIVABLES

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Debts over six months from due date		
(b) Significant increase in credit risk	1,562,883	1,562,883
Less : Allowance for doubtful trade receivabl	<u>1,562,883</u>	<u>1,562,883</u>
Debts less than six months from due date		
Considered good	489,366,888	514,129,675
	<u>489,366,888</u>	<u>514,129,675</u>
	<u>489,366,888</u>	<u>514,129,675</u>

CJSC "TORRENT PHARMA"
Notes to the Financial Information (page 2)

NOTE - 5 : CASH AND CASH EQUIVALENTS

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Cash and cash equivalent		
Cash on hand	5,892	5,892
Balances with banks	37,356,137	47,768,076
	<u>37,362,029</u>	<u>47,773,968</u>

NOTE - 6 : SHARE CAPITAL

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Subscribed and paid-up	2,380,200	2,380,200
	<u>2,380,200</u>	<u>2,380,200</u>

NOTE - 7 : OTHER EQUITY

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Reserves and surplus		
Retained earnings		
Balance as per last balance sheet	177,355,697	14,277,078
Add: Net profit for the current year	155,623,127	163,078,619
Closing balance	332,978,824	177,355,697
Securities premium account	341,988,693	341,988,693
	<u>674,967,517</u>	<u>519,344,390</u>

NOTE - 8 : OTHER FINANCIAL LIABILITIES

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Payables for employee benefits	11,731,274	5,037,735
	<u>11,731,274</u>	<u>5,037,735</u>
	<u>11,731,274</u>	<u>5,037,735</u>

NOTE - 9 : PROVISIONS

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Current		
Provision for employee benefits		
Leave benefits	2,853,225	2,534,758
	<u>2,853,225</u>	<u>2,534,758</u>

NOTE - 10 : OTHER LIABILITIES

	As at 31-Mar-2024	As at 31-Mar-2023
	RUB	RUB
Payables to statutory and other authorities	378,595	-
	<u>378,595</u>	<u>-</u>

CJSC "TORRENT PHARMA"
Notes to the Financial Information (page 3)

NOTE - 11 : REVENUE FROM OPERATIONS

	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
	RUB	RUB
Sales		
Sales outside India	1,427,116,277	1,305,105,865
	<u>1,427,116,277</u>	<u>1,305,105,865</u>

NOTE - 12 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
	RUB	RUB
Opening inventories		
Finished goods	203,482,453	283,198,166
Less : Closing inventories		
Finished goods	261,813,161	203,482,453
	<u>261,813,161</u>	<u>203,482,453</u>
Net (increase) / decrease in inventories	<u>(58,330,708)</u>	<u>79,715,713</u>

NOTE - 13 : EMPLOYEE BENEFITS EXPENSE

	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
	RUB	RUB
Salaries, wages and bonus	15,445,086	13,788,239
Contribution to provident and other funds	4,275,584	3,600,118
Staff welfare expenses	787,666	668,960
	<u>20,508,335</u>	<u>18,057,317</u>

NOTE - 14 : OTHER EXPENSES

	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
	RUB	RUB
Selling, publicity and medical literature expense	15,565,687	20,874,428
Rent	11,285,821	11,152,164
Insurance	4,145,253	3,157,387
General charges	2,114,406	2,539,685
Auditors remuneration and expenses	2,893,388	2,337,113
Professional and legal fees	687,664	667,408
Communication expenses	95,518	116,661
Printing and stationery expenses	116,108	86,884
Repairs and maintenance	40,227	56,157
Sales and turnover taxes	23,715	37,730
	<u>36,967,786</u>	<u>41,025,617</u>