JMT & associates CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEOGEN IONICS LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the accompanying Financial Statements of **NEOGEN IONICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the **Loss** and total comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 of the current period. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Sr.	Key Audit Matter	How our audit addressed the Key audit matter
1	**Revenue Recognition** Ind AS 115 requires to consider management to account revenue as per terms of contracts with customers and on fulfillment of performance obligations This is a first year of the Operation of the Company. The Manufacturing activities begun during the year. The Company is a wholly owned Subsidiary of the Listed Company. There is also a risk of revenue being overstated due to fraud resulting from pressure on the Company to achieve performance targets at the reporting period end. Accordingly, fraud and cut-off risks in revenue recognition are considered as a key audit matter	Our audit procedures included the following: ♣ Understood the processes and controls around established in recognition of revenue. ♣ Focusing on the Company's revenue recognition for compliance with Ind AS. ♣ The Company has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We have evaluated and tested design and operating effectiveness of controls addressing risk. ♣ Performed test check of sales transactions to verify contractual terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. ♣ Performing testing on selected statistical samples of revenue transactions recorded during the year end.

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

The Company's management and Board of Directors are responsible for preparation 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 financial statements and our auditor's report thereon.

Our opinion on the 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 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 communicate the matter to those charged with the governance as required under SA 720 'The Auditor's Responsibility relating to other Information '.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

3. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations to be disclosed at the end of the period

ii. The Company did not have any material long term 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, other than as disclosed in note 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 on behalf of the Ultimate Beneficiaries
(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in note to 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 Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Company has not declared any Dividend during the year ended 31 March, 2024, nor has it proposed any Dividend for the year subject to approval of the members at the ensuing Annual General Meeting. Accordingly, the provisions of section 123 of the Companies Act, 2013 do not apply.

vi. 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.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of 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.

UDIN : 24039910BJZZWH9625
For JMT & ASSOCIATES
Chartered Accountants
Firm Registration No. 104167W

JAYESH SHAH

Partner
Membership No.039910

Place: Mumbai
Date: 30th April, 2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NEOGEN IONICS LIMITED of even date)

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner . In accordance with this program, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, 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 favor of the lessee) disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

ii In respect of the Company's Inventories:

a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of business. The Company has maintained proper records of inventory. As per information available, the discrepancies noticed on verification between physical stock and book records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account

b)According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets and hence reporting under clause 3(ii)(b) is not applicable.

iii 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 made investment in ,provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and hence reporting under clause 3(iii) is not applicable.

iv The company has not granted any loans, made investments in subsidiaries, provided any guarantees or security in connection with a loan to any other body corporate or person within the meaning of section 185 and 186 of the companies Act 2013.

v The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company

vii According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

viii 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year

ix

a) 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 defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

c) In our opinion and according to the information and explanations given to us by the management, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicableAccording to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company

d) According to the information and explanations given to us and on an overall examination of the 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 Joint Venture, as defined in the Act. The Company does not hold any investment in any Subsidiaries or associate (as defined in the Act) during the year ended 31 March 2024.

e) 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 Joint Venture (as defined under the Act).

x. (a) The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made preferential allotment of shares during the year. Accordingly clause 3 (x)(b) of the order is not applicable to the Company.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the course of audit

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors during the year in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required the applicable accounting standards. The provisions of section 177 of the Companies Act, 2013 are not applicable to the company.

xiv. (a)In our opinion and according to the information and explanations given to us, the Company has internal audit system commensurate with size and nature of its business.

(b) However, according to the information & explanation given to us, there was no report of Internal Audit issued during the year as the same was not appicable.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Hence, provision of section 192 of the act are not applicable to the company

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

xvii. The Company has incurred cash losses in the current year to the tune of Rs 6.96 Crore.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. 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 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. The Provisions of section 135 of companies Act, 2013 are not appliable to the company, and hence reporting under clause 3(xx) of the Order is not applicable

UDIN : 24039910BJZZWH9625
For JMT & ASSOCIATES
Chartered Accountants
Firm Registration No. 104167W

JAYESH SHAH
Partner
Membership No. 039910

Place: Mumbai,
Date : 30th April, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NEOGEN IONICS LIMITED of evendate)

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

We have audited the internal financial controls over financial reporting of **NEOGEN IONICS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the yearended on 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 GuidanceNote 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

UDIN : 24039910BJZZWH9625
For JMT & ASSOCIATES
Chartered Accountants
Firm Registration No. 104167W

JAYESH SHAH
Partner
Membership No.039910

Place: Mumbai,
Date: 30th April, 2024

NEOGEN IONICS LIMITED

CIN : U20119MH2023PLC399825

Standalone Balance Sheet as at March 31, 2024

(₹ In Crores)

Particulars	Notes No.	As at March 31, 2024
ASSETS		
(I) Non-Current Assets		
(a) Property, Plant and Equipment	3	135.00
(b) Right of Use Assets		-
(c) Capital work-in-progress	4	52.80
(d) Intangible Assets		-
(e) Financial Assets		
(i) Investments		-
(ii) Loans		-
(iii) Other Financial assets	5	0.48
(e) Other Non Current Assets	6	36.67
(f) Deferred Tax Asset (Net)	15	1.20
Total Non-Current Assets		**226.15**
(II) Current Assets		
(a) *Inventories*	7	0.65
(b) **Financial Assets**		
(i) Trade Receivables	8	0.61
(ii) Cash and Cash equivalents	9	10.20
(iii) Bank balances other than (ii) above		-
(iv) Loans		-
(v) Other Financial assets	5	0.00
(c) Other Current Assets	6	8.23
Total Current Assets		**19.69**
TOTAL ASSETS		**245.84**
EQUITY AND LIABILITIES		
(I) Equity		
(a) Equity Share Capital	10	5.00
(b) Other Equity	11	(5.81)
Total equity		**(0.81)**
(II) Liabilities		
(A) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	12	118.39
(ii) Lease liablities		-
(iii) Other Financial Liabilities	13	-
(b) Provisions	14	0.26
Total Non-Current Liabilities		**118.65**
(B) Current Liabilities		
(a) **Financial Liabilities**		
(i) Borrowings	12	-
(ii) Lease liablities		-
(iii) Trade payables	16	
(a) total outstanding dues of micro and small enterprises		0.92
(b) total outstanding dues of creditors other than micro and small enterprises		-
(iv) Other Financial Liabilities	13	126.59
(b) Other Current Liabilities	17	0.41
(c) Provisions	14	0.08
Total Current Liabilities		**128.00**
Total liabilities		**246.65**
TOTAL EQUITY AND LIABILITIES		**245.84**

Corporate information and material accounting policies 1 to 2
Notes forming part of standalone financials statements 1 to 35
Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date

For JMT & Associates
Chartered Accountants
Firm Registration No. 104167W

For and on behalf of the Board of Directors
NEOGEN IONICS LIMITED
CIN : U20119MH2023PLC399825

Jayesh J Shah
Partner
Membership No. 039910

Haridas Kanani
Chairman & Managing Director
DIN- 00185487

Dr. Harin Kanani
Managing Director
DIN-05136947

Place: Thane
Date: 30 April, 2024

Ketan Vyas
Chief Financial Officer

Unnati Kanani
Company Secretary
M. no. A35131

NEOGEN IONICS LIMITED

CIN : U20119MH2023PLC399825

Standalone Statement of Profit and Loss for the period 29th March 2023 - 31st March 2024

(₹ in Crores)

	Particulars	Note No.	For the period ended March 31, 2024
I	REVENUE		
	Revenue from Operations	18	0.55
	Other Income	19	0.35
	TOTAL INCOME		0.90
II	EXPENSES		
	Cost of materials consumed	20	0.65
	Changes in inventories of finished goods, work-in-progress and stock in trade		-
	Employee benefits expense	21	2.94
	Finance costs	22	0.93
	Depreciation and amortization expense	23	0.05
	Other expenses	24	3.34
	TOTAL EXPENSES		7.91
III	Profit before tax (I - II)		(7.01)
IV	Tax Expenses		
	- Current Tax		-
	- Deferred Tax		(1.20)
V	Profit for the year (III - IV)		(5.81)
VI	Other Comprehensive Income		
	(A) Items that will not be reclassified to profit or loss		
	- Remeasurement of defined benefit plans		-
	- Income tax relating to items that will not be reclassified to profit or loss		-
	(B) Items that will be reclassified to profit or loss		
	- Change in fair value of debt instrument		-
	- Income tax relating to items that will be reclassified to profit or loss		-
	Other Comprehensive Income for the year net of tax		-
VII	Total Comprehensive Income for the year (V + VI)		(5.81)
VIII	Earnings per equity share (face value ₹ 10 each)	26	
	- Basic (₹)		(23.47)
	- Diluted (₹)		(23.47)

Corporate information and material accounting policies *1 to 2*
Notes forming part of standalone financials statements 1 to 35
Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements
As per our report of even date

For JMT & Associates
Chartered Accountants
Firm Registration No. 104167W

For and on behalf of the Board of Directors
NEOGEN IONICS LIMITED
CIN : U20119MH2023PLC399825

Jayesh J Shah
Partner
Membership No. 039910

Haridas Kanani
Chairman & Managing Director
DIN- 00185487

Dr.Harin Kanani
Managing Director
DIN- 05136947

Place: Thane
Date: 30 April, 2024

Ketan Vyas
Chief Financial Officer

Unnati Kanani
Company Secretary
M. no. A35131

NEOGEN IONICS LIMITED

CIN : U20119MH2023PLC399825

Standalone Cash Flow Statement for the period ended March 31, 2024

(₹ in Crores)

Particulars	For the period ended March 31, 2024
A. Cash Flow from Operating Activities	
Net Profit before tax	(7.01)
Adjustments for:	
Depreciation and amortization expense	0.05
Finance Cost	0.93
Interest income	(0.35)
Operating Profit before Working Capital changes	**(6.38)**
Adjustments for :	
(Increase) / Decrease in inventories	(0.65)
(Increase) / Decrease in trade receivables	(0.61)
(Increase) / Decrease in current loans and advances and other current financial assets	(0.48)
(Increase) / Decrease in Other Current Assets	(8.23)
(Increase) / Decrease in Other Non-Current Assets	52.08
Increase/(Decrease) in Trade Payables	0.92
Increase/(Decrease) in Other Financial Non-Current Liabilities	0.26
Increase/(Decrease) in Other Current Financial Liabilities	74.59
Increase/(Decrease) in Other Current Liabilities	0.41
Cash generated from operations	**111.91**
Income tax paid	-
Net Cash from Operating activities	**111.91**
B. Cash Flow from Investing Activities	
Purchases of Property, Plant and Equipment	(224.52)
Interest received	0.35
Net Cash used in Investing activities	**(224.17)**
C. Cash Flow from Financing Activities	
Proceeds from issue of equity instruments of the Company	5.00
Proceeds of borrowings	118.39
Finance cost	(0.93)
Net Cash used in Financing activities	**122.46**
Net increase / (decrease) in cash and cash equivalents	**10.20**
Cash on Hand	-
Cash at Bank	-
Opening Cash and Cash Equivalents	**-**
Cash at Bank	10.20
Closing Cash and Cash Equivalents	**10.20**

1. The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS - 7) on Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.
2. Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition)

Particulars	March 31, 2024
Borrowings	
Balance at the beginning of the year	-
Cash Flow	118.39
Non Cash Changes	
Balance at the end of the Year	**118.39**

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date

For JMT & Associates
Chartered Accountants
Firm Registration No. 104167W

For and on behalf of the Board of Directors
NEOGEN IONICS LIMITED
CIN: U20119MH2023PLC399825

Jayesh J Shah
Partner
Membership No 039910

Haridas Kanani
Chairman & Managing Director
DIN- 00185487

Dr. Harin Kanani
Managing Director
DIN- 05136947

Place: Thane
Date: 30 April, 2024

Ketan Vyas
Chief Financial Officer

Unnati Kanani
Company Secretary
M. no. A35131

Note 1 :

Material accounting policies

A. **General Information**

Neogen Ionics Limited (the company) incorporated on 29 March 2023 is in the business of Organic and Speciality Chemicals. The ultimate holding company is Neogen Chemicals Limited.

B. Basis of preparation and measurement

(1) **Basis of preparation**

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the years presented in the standalone financial statements.

The standalone financial statements of the Company for the year ended March 31, 2024 were authorized for issue in accordance with a resolution of the Board of Directors on April 30, 2024.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements

Current versus non-current classification

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

(2) **Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation;

(3) Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

C. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Judgement, estimates and assumptions are required in particular for:

(1) Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

(2) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(3) Recognition of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences.

(4) Recognition and measurement of other provisions

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

(5) Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

(6) Determining whether an arrangement contains a lease

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

(7) Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

(8) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

D. Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. - Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). - Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

E. Material accounting policies

(1) Revenue and Other income :

(i) Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue is measured based on the consideration specified in a contract with a customer and in excess of billing is recognised as a Contract Asset . Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company.

(ii) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

(iii) Government grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the company will comply with the condition attached to them and (ii) the grant /subsidy will be received. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises the related costs for which the grants are intended to compensate or when performance obligations are made. Where the grant relates to an asset, it is recognized as deferred income and credited to income in equal amounts over the expected useful life of the related asset.

(2) Foreign currency :

Transaction and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss.

(3) Employment Benefits

(i) Short-term obligations

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

(ii) **Other long-term employee benefit obligations**

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) defined contribution plans such as provident fund.

(a) **Defined benefit plans**: The following post – employment benefit plans are covered under the defined benefit plans:

Gratuity : The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) **Defined contribution plans**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(4) Income-tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

(i) Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

-taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

(5) Inventories

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value

(b) Work-in-progress / project in progress-: At lower of cost of materials, plus appropriate manufacturing overheads and net realizable value.

c) Finished Goods: At lower of cost of materials, plus appropriate manfacturing overheads and net realizable value, Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale.The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

(6) Property, plant and equipment (including Capital work in progress)

(I) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

d) Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

(II) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

(III) Depreciation/ Amortizations

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

(a) Building – 30 years
(b) Plant and Machinery- 20 years
(c) M.S. Structure & FRP Gratings- 20 years
(d) Effluent Treatment Plant- 20 years
(e) Safety Equipment's- 20 years
(f) Quality Control Instruments & R & D Equipment's- 10 years
(g) Office equipment's- 5 years
(h) I T Equipment's- 3 years
(i) Furniture and fixtures- 10 years
(j) Vehicles- 8 years

Assets costing less than Rs 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(7) Intangible assets:

(I) Computer software

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The intangible assets are amortised over the estimated useful lives as given below: - Computer software 3-5 years

(8) Investments:

The investments in subsidiaries, associates and joint ventures are carried in these financial statements at historical 'cost', except when the investment or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to P & L.

(9) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

(10) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors. The Company has identified only one segment as reporting segment based on the information reviewed by CODM.

(11) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts. Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements. Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(12) Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable. Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

(13) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Company as a lessee The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(14) Impairment of non-financial assets

Intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

(15) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(16) Earnings per share

I. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

II. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

F. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NEOGEN IONICS LIMITED

CIN : U20119MH2023PLC399825

Statement of Changes in Equity for the period ended March 31 2024

(₹ in Crores)

10 Equity Share Capital	As at March 31,2024
Balance at the beginning of the year	-
Changes in equity share capital during the year	5.00
Balance at the end of the year	**5.00**

During the year the Company has issued and allotted 10,00,000 equity shares of Rs 10/- each on 15.04.2023 and 40,00,000 equity shares of Rs10/- each on 18.11.2023

11 Other Equity

For the year ended March 31, 2024

Description	Reserves and Surplus		Other comprehensive income	Total Other Equity
	General Reserve	Retained Earnings	Re- measurement of Gains (losses) on Defined Benefit Plan	
Balance as at March 29, 2023		-	-	-
Profit for the year		-5.81		-5.81
Transfer to General Reserve	-			-
Revlaution reserve on Fxed assets				-
Other Comprehensive Income			-	-
Total Comprehensive Income	-	**-5.81**	-	**-5.81**
Equity Dividends				-
Dividend Distribution Tax				
At March 31, 2024	-	**-5.81**	-	**-5.81**

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date

For JMT & Associates
Chartered Accountants
Firm Registration No. 104167W

For and on behalf of the Board of Directors
NEOGEN IONICS LIMITED
CIN: U20119MH2023PLC399825

Jayesh J Shah
Partner
Membership No. 039910

Haridas Kanani
Chairman & Managing Director
DIN- 00185487

Dr.Harin Kanani
Managing Director
DIN - 05136947

Place: Thane
Date: 30 April, 2024

Ketan Vyas
Chief Financial Officer

Unnati Kanani
Company Secretary
M. no. A35131

NEOGEN IONICS LIMITED

Accompanying notes to the financial statements for the period ended March 31, 2024

(₹ in Crores)

Note : 3 Property, Plant and Equipment

Particulars	Freehold Land	Leasehold Land	Factory buildings	Plant & Machineries	M.S.Structure & FRP Grattings	R & D Equipments	Furniture & Fixtures	Total
Gross Block:								
As at April 1, 2023	-	-	-	-	-	-	-	-
Additions during the year	100.88	1.65	6.69	22.57	0.64	2.60	0.02	135.05
Disposals during the year								-
As at March 31, 2024	100.88	1.65	6.69	22.57	0.64	2.60	0.02	135.05
Accumulated Depreciation:								
As at April 1, 2023	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.01	0.01	0.03	0.00	-	0.00	0.05
On disposals during the year		-	-	-	-	-	-	-
As at March 31, 2024	-	0.01	0.01	0.03	0.00	-	0.00	0.05
Net Book Value:								
As at March 31, 2023	-	-	-	-	-	-	-	-
As at March 31, 2024	100.88	1.64	6.68	22.54	0.64	2.60	0.02	135.00

(₹ in Crores)

Note : 4 Capital Work in Progress

Particulars	Amount
As at April 1, 2023	0
Additions during the year	187.80
Capitalised during the year	-135.00
As at March 31, 2024	**52.80**

a) Capital work in progress (CWIP) Ageing Schedule

	As at March 31, 2024		
Particulars	Less than 1 year	1-2 years	Total
Project in Progress	52.80	-	52.80

b) There are no cost overrun or Timeline delayed in any project pertaining to Financial Year 23-24

(₹ In Crores)

Note : 5. Other Financial Assets

Particulars (Unsecured, considered good unless stated otherwise)	Current As at March 31, 2024	Non current As at March 31, 2024
(i) Fixed Deposit	-	0.45
(ii) Security Deposits	-	0.03
Total	0.00	0.48

Note : 6. Other Assets

Particulars	Current As at March 31, 2024	Non current As at March 31, 2024
(Unsecured, Considered Good unless otherwise stated)		
Capital Advances	-	36.67
Advances to vendors	0.13	-
Balance with Government authorities	8.10	-
Export incentives receivable	0.00	-
Prepaid Expenses	0.00	-
Total	8.23	36.67

Note : 7. Inventories
(Carried at lower of the cost and net realisable value)

Particulars	As at March 31, 2024
Raw materials	0.65
Total	0.65

Note : 8. Trade Receivables

Particulars	As at March 31, 2024
Unsecured	
(i) Considered good	0.61
(ii)Trade receivable which have significant increase in risk	-
Less: Allowance for expected credit loss	-
Total	0.61

a) Ageing of Trade Receivable
Trade Receivable Ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	more than 2 years	Total
Undisputed trade receivables						
- considered good	0.61	-	-	-	-	0.61
- which have significant increase in risk		-	-	-	-	-
- credit impaired		-	-	-	-	-
Disputed trade receivables						
- considered good		-	-	-	-	-
- which have significant increase in risk		-	-	-	-	-
-credit impaired		-	-	-	-	-
Total	0.61	-	-	-	-	0.61
Less: Loss Allowance	-	-	-	-	-	-
Total current trade receivables	0.61	-	-	-	-	0.61

Note : 9 Cash and Cash Equivalents

Particulars	As at March 31, 2024
Balances with banks	
In current accounts	10.20
Total	10.20

NEOGEN IONICS LIMITED

Accompanying notes to the financial statements for the period ended March 31, 2024

(₹ In Crores)

Note : 10. Equity Share Capital

Particulars	As at March 31, 2024	
	No of Shares	₹ in Crores
Authorised Capital		
Equity Shares of Rs.10/- each	50,00,000	5.00
At March 31, 2023	50,00,000	5.00
Issued, Subscribed and Fully Paid up		
Equity Shares of Rs.10/- each	50,00,000	5.00
At March 31, 2024	50,00,000	5.00

Note 10 (a) Reconciliation of number of shares outstanding at end of the year:

Particulars	As at March 31, 2024	
	No of Shares	₹ in Crores
Equity Shares issued during the year*	50,00,000	5.00
Equity Shares outstanding at the end of the year	50,00,000	5.00

*During the year the Company has issued and allotted 10,00,000 equity shares of Rs 10/- each on 15.04.2023 and 40,00,000 equity shares of Rs10/- each on 18.11.2023

(b) Rights, Preferences & Restriction of each class of shares

The Company has one class of Equity shares having a par value of `Rs 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding

(c) Details of shareholders holding more than 5% shares in the Company are set out below

Name of the Shareholder	As at March 31, 2024	As at March 31, 2024
Equity shares	No. of Shares	%
Neogen Chemicals Limited	49,99,994	99.99%

(d) Details of shares held by promoter at the end of the year

As at March 31, 2024

Promoter Name	No of Shares at the beginning of Year	Changes during the Year	No. of Share at the end of Year	% of Total Share	% Change during the Year
Neogen Chemicals Limited	-	49,99,994	49,99,994	99.99%	99.99%
Mrs. Beena Haridas Kanani (as a nominee of Neogen Chemicals Limited)	-	1	1	0.00%	0.00%
Mrs. Jesal Kanani (as a nominee of Neogen Chemicals Limited)	-	1	1	0.00%	0.00%
Mr Anurag Surana (as a nominee of Neogen Chemicals Limited)	-	1	1	0.00%	0.00%
Mr Haridas Kanani(as a nominee of Neogen Chemicals Limited)		1	1	0.00%	0.00%
Mr Ketan Vyas (as a nominee of Neogen Chemicals Limited)		1	1	0.00%	0.00%
Dr. Harin Kanani (as a nominee of Neogen Chemicals Limited)	-	1	1	0.00%	0.00%
	-	50,00,000	50,00,000	100.00%	100.00%

Note :11. Other Equity

Particulars	As at March 31, 2024
General Reserve	-
Retained earnings	(5.81)
Total Other Equity	(5.81)

(₹ in Crores)

Note : 12. Borrowings

Particulars	Current	Non current
	As at March 31, 2024	As at March 31, 2024
Unsecured loans		
Loan From Related parties	-	118.39
Total	-	118.39

Note : 13. Other Financial Liabilities

Particulars	Current	Non current
	As at March 31, 2024	As at March 31, 2024
Liabilities related to payroll	0.50	-
Other payables	126.09	-
Total	126.59	-

Note : 14. Provisions

Particulars	Current	Non current
	As at March 31, 2024	As at March 31, 2024
Provision for Employee Benefits		
Provision for gratuity	0.05	-
Provision for leave encashment	0.03	0.26
Total	0.08	0.26

Note : 15. Deferred Tax (Liabilities)/Asset (Net)

Particulars	As at March 31, 2024
Deferred Tax (Liabilities)/Asset (Net)	1.20
Total	1.20

NEOGEN IONICS LIMITED

Notes forming part of the Standalone Financial Statements for the period ended March 31, 2024

Note 15 : Income Taxes

(a) Amounts recognised in profit and loss

(Rs. in Crores)

	March 31, 2024
Current income tax	
In respect of current year	-
Adjustments in respect of earlier years	
Deferred income tax	(1.20)
In respect of current year	
Origination and reversal of temporary differences	-
Adjustments in respect of earlier years	
Origination and reversal of temporary differences	-
Deferred tax expense	(1.20)
Tax expense recognised in the Statement of Profit & Loss	**(1.20)**

(b) Reconciliation of tax expense and accounting profit for the year is as under:

	March 31, 2024
Profit before tax	**(7.01)**
Company's domestic tax rate	17.16%
Tax using the Company's domestic tax rate	1.20
Tax effect of:	
Expense not allowed for tax purposes	-
Others	
Total	**1.20**
Adjustments in respect of earlier years	-
Tax expense as per Statement of Profit & Loss	**1.20**
Current tax	-
Deferred tax	**1.20**

NEOGEN IONICS LIMITED

Notes forming part of the Standalone Financial Statements for the period ended March 31, 2024

Note (c) : Movement in deferred tax balances for the period ended March 31, 2024

(₹. in Crores)

Particulars	Net balance April 1, 2023	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2024
Deferred tax asset/(liabilities)								
Property, plant and equipment & Intangible assets	-	0.38			0.38	0.38	-	(0.38)
Lease	-	-			-	-		-
Provision for employee benefits	-	(0.01)			(0.01)	-	0.01	0.01
Provisions for leave encashement	-	(0.05)			(0.05)		0.05	0.05
Provisions for doubtful debts & other receivables	-	-			-	-		-
Carried forward losses	-	-			-	-		-
Others	-	(1.52)			(1.52)		1.52	1.52
OCI Item	-			-	-		-	-
Deferred Tax assets / (Liabilities)	**-**	**(1.20)**	**-**	**-**	**(1.20)**	**0.38**	**1.58**	**1.20**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(₹ in Crores)

Note : 16. Trade Payables

Particulars	As at March 31, 2024
Total outstanding dues of micro and small enterprises	0.92
Total outstanding dues of creditors other than micro and small enterprises	0.00
Total	0.92

Ageing of Trade Payable

Trade Payables Ageing schedule as on 31st March , 2024

Particulars	Outstanding for following periods from due date of payment				
	Not Due	Less than 1 year	1-2 years	2-3 years	Total
(i) M S M E	0.92	-	-	-	0.92
(ii) Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues- Others	-	-	-	-	-
Total	0.92	-	-	-	0.92

Disclosure under MSME Act, 2006 :

Particulars	As at March 31, 2024
(a) Principal amount remaining unpaid as at the year end	0.92
(b) Interest due thereon as at the year end	-
(c) Interest paid by company in terms of Section16 of (the MSMEDA 2006)	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-
(e) Interest accrued and remaining unpaid as at the year end	-
(f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises	-
	0.92

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management and relied upon by the auditors

Note : 17. Other Current Liabilities

Particulars	As at March 31, 2024
Statutory dues payable	0.41
Total	0.41

Note : 18. Revenue from Operations

Particulars	For the period ended March 31, 2024
Sale of Products	
Sale of products comprises Manufactured goods of Chemicals	0.55
Total	0.55

Note : 19. Other Income

Particulars	For the period ended March 31, 2024
Other Income	
Interest from banks on Fixed Deposits	0.35
Total Other Income	0.35

Note : 20. Cost of materials consumed

Particulars	For the period ended March 31, 2024
Opening stock	-
Purchases	1.30
	1.30
Less: Closing stock	0.65
Cost of Raw Material Consumed	0.65

(₹ in Crores)

Note : 21. Employee benefits expense

Particulars	For the period ended March 31, 2024
Salaries, wages and bonus	2.65
Contribution to provident and other funds (Refer note27)	0.29
Total	2.94

Note : 22. Finance costs

Particulars	For the period ended March 31, 2024
Interest expenses on borrowings	0.87
Other finance cost and bank charges	0.06
Total	0.93

Note : 23. Depreciation and amortization expense

Particulars	For the period ended March 31, 2024
Depreciation of tangible assets	0.05
Total	0.05

Note : 24. Other expenses

Particulars	For the period ended March 31, 2024
Power and Fuel	0.03
Contract Labour charges	0.04
Legal and professional fees	0.08
Freight and forwarding charges	0.10
Consumption of Packing Material	0.00
Travelling and conveyance	0.26
Payment to Auditors	0.19
Advertisement, Selling and Distribution Expenses	0.45
Miscellaneous expenses	2.19
Total	3.34

Payment to Auditors (exclusive of Goods and Services Tax)

Particulars	For the period ended March 31, 2024
As Auditors	
Audit fees	0.17
Tax audit fees	0.02
	0.19

NEOGEN IONICS LIMITED

Accompanying notes to the financial statements for the period ended March 31, 2024

(₹ In Crores)

Note : 25. Key Ratios

	Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Variance	Reason for Variance
a)	Current ratio (in times)	Total current Asset	total Current liablities	0.15	0%	N A	N A
b)	Debt Equity Ratio (in times)	Total Borrowing	Total Equity	-20.38	0%	N A	N A
c)	Debt Service Coverage Ratio (in times)	PAT + Depreciation & Amortisation + Interest	Principal repayment of debt + interest payments	-5.19	0%	N A	N A
d)	Return on Equity Ratio(%)	PAT	Average shareholder	14.35	0%	N A	N A
e)	Inventory Turnover (times)	Sale of Products	Average Inventory	1.69	0%	N A	N A
f)	Trade Receivable Turnover (no of days)	Sale of Products	Average Trade Receivable	1.81	0%	N A	N A
g)	Trade Payable Turnover Ratio (in Times)	Net purchase	Average Trade Payables	2.83	0%	N A	N A
h)	Net Capital Turnover Ratio (in Time)	Net sales	Working capital	-0.01	0%	N A	N A
I)	Net Profit Margin %	Net profit for the year	Revenue from Operation	-1056%	0%	N A	N A
h)	Return on Capital Employed %	Profit Before tax +Interest	Net Worth+Total borrowing	-5%	0%	N A	N A

Note : 26. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	As at March 31, 2024
Profit after tax for calculation of basic and diluted EPS	-5.81
Weighted average number of equity shares (face value per share Rs. 10) (Refer Note 10) in calculating basic EPS and diluted EPS	50,00,000
Basic earnings per share	-23.47
Diluted earnings per share	-23.47

There are no dilutive potential shares and accordingly, Basic earnings per share and Diluted earning per share are same.

Note : 27. Employee Benefits

(a) Defined Contribution plans

Particulars	As at March 31, 2024
Benefits (Contribution to)	
Provident Fund	0.29
Superannuation Fund	-
	0.29

(b) Defined Benefit Plans

Compensated Absences

The Company has also provided long term compensated absences which is outstanding.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity and leave enchahshment plan:

Changes in present value of the defined benefit obligation

Particulars	Gratuity As at March 31, 2024
1) Opening present value of defined benefit obligation	0.00
2) Current Service Cost	0.00
3) Interest Cost	0.00
4) Benefits paid	0.00
5) Actuarial (Gain) / Loss on obligation	0.00
6) Net transfer in / (out) (including the effect of any business combinations / divestures)	0.00
6) Closing present value of defined benefit obligation	0.13

Changes in Fair value of Plan Assets- Gratuity Benefit

Particulars	As at March 31, 2024
1) Fair value of plan assets as at April 1	-
2) Expected return on plan assets	-
3) Contributions made	0.07
4) Benefits paid	0.00
5) Interest income	0.00
6) Actuarial gain / (Loss) on plan assets	0.00
7) Fair value of plan assets as at March 31	0.00

NEOGEN IONICS LIMITED

Accompanying notes to the financial statements for the period ended March 31, 2024

(₹ In Crores)

Expenses recognised during the year

Particulars	As at March 31, 2024
In Income Statement	0.13
In Other Comprehensive Income	0.00
Total Expenses recognised during the year	**0.13**

Net employee benefits expense recognized in the employee cost

Particulars	Gratuity
	As at March 31, 2024
Current Service Cost	-
Interest Cost on defined benefit obligation	-
Net value of remeasurements on the obligation and plan assets	-
Total Expenses recognised during the year	-

Expenses recognized in other comprehensive income

Particulars	As at March 31, 2024
Actuarial changes arising from changes in demographic assumptions	-
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in experience variance	-
Return on plan assets, excluding amount recognized in net interest expense	-
Total Expenses recognised during the year	-

Net Assets / (Liability)

Particulars	Leave Enchashment	Gratuity
	As at March 31, 2024	As at March 31, 2024
Closing Present value of the defined benefit obligation	0.29	0.13
Closing Fair value of plan Assets		
Net Assets / (Liability) recognized in the Balance Sheet	**0.29**	**0.13**

Actual return on plan assets for the year

Particulars	As at March 31, 2024
Expected return on plan assets	-
Actual return on plan assets	-

The major categories of Plan Assets as a percentage of the Fair Value of Plan Assets are as follows

Particulars	As at March 31, 2024
Life Insurance Corporation of India	100%
	100%

The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below:

Particulars	As at March 31, 2024
Discount rate Current Year	7.21%
Discount rate Previous Year	0.00%
Salary growth rate (per annum)	6.00%
Attrition Rate	0.00%
Retirement Age	60
Pre-retirement mortality	N A
Disability	N A

Attrition Rate

Particulars	As at March 31, 2024
Attrition Rate	5.34%

Particulars	As at March 31, 2024
No. of members in service	80
Avg. Age (yrs.)	31.49
Avg. Past Service (yrs.)	1.13
Avg. Sal. Mly (Rs.)	37,726

A quantitative sensitivity analysis for significant assumption and quantitative impact on Defined Benefit Obligation as at 31 March 2024 is as shown below:

Particulars	As at March 31, 2024
Gratuity Plan Assumptions	
Discount Rate	7.21%
Future Salary	6.00%
Leave Obligation	
Discount Rate	7.21%
Future Salary	6.00%

The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(₹ In Crores)

Note : 28. Contingent Liabilities

Particulars	As at March 31, 2024
Disputed Income-tax liabilities	NIL
Disputed Sales Tax /GST Liabilities	NIL
Disputed Excise and Service tax Liabilities	NIL
Bank guarantees issued by banks on behalf of the Company	NIL
Guarantees / Counter Guarantees provided by the Company on behalf of others	NIL
Others	NIL
	-

Note : 29. Capital and other commitments

Particulars	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.08
Uncalled liability of shares	-
Un-expired commitment to investment in Reality Funds and Venture Capital	-
Letters of Undertaking to Customs towards export obligation against advance license and EPCG	-
	0.08

Note : 30. Segment Information

The company is in the business of Manufacturing of speciality Chemicals and accordingly has one reportable business segment

As part of secondary reporting, revenues are attributed to geographical areas are based on the location of the customers as detailed below:

Particulars	As at March 31, 2024
Revenue within India	0.03
Overseas Including Deemed Exports	0.52
	0.55

Note : 31. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The Company uses forward exchange contracts to hedge the currency exposure and is therefore not exposed to significant currency risk at the respective reporting dates.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

(₹ In Crores)

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% appreciation and depreciation in the INR against the relevant foreign currencies net of hedge accounting impact. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particular	For the year ended 31st March 2024		For the year ended 31st March 2023	
	5% appreciation	5% depreciation	5% appreciation	5% depreciation
Receivable				
USD/INR	2.67	(2.67)	-	-
EUR/INR	-	-	-	-
Payable				
USD/INR	(0.51)	0.51	-	-
EUR/INR	-	-	-	-

Price risk

The Company does not have much exposure to price risk due to annual contracts and pass through mechanism for imports

Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

None of the financial instruments of the Company result in material concentrations of credit risk. The company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing . Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars - Year ended 31st March 2024	Borrowings	Trade and other payables	Other financial
On demand			
Less than 3 months	-	0.92	-
3 to 12 months	-	-	126.59
1 to 5 years	118.39	-	-
> 5 years	-	-	-
Total	**118.39**	**0.92**	**126.59**

Note : 32. Disclosures of foreign currency exposure

Particulars of unhedged Foreign Currency Assets and Liabilities as at the Balance Sheet date:

Purpose / Nature of Instrument	Currency	As at March 31, 2024	
		Amount In foreign currency	Amount In Rupees
Receivables	USD	0.64	53.40
Payables	JPY	-1.00	-0.58
Payables	USD	-0.12	-10.25

Note : 33. Capital management

The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	Year ended March 31, 2024
Borrowings	118.39
Trade Payables	0.92
Less: Cash and cash equivalents	10.20
Net debt	**109.11**
Equity	-
Reserves	-5.81
Total Capital	**-5.81**
Capital and net debt	**103.30**
Gearing ratio	**106%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 .

(₹ in Crores)

Note 34: Related party transactions during the period:

a) Details of related parties

(i) Holding company - Neogen Chemicals Limited

(ii) Name of the party

A. Key Managerial Personnel (KMP)	Date of Appointment
Haridas Kanani - Chairman and Managing Director	13-05-2023
Dr. Harin Kanani - Managing Director	29-03-2023
Shyamsunder Upadhyay - Executive Director	29-03-2023
T C N Sai Krishnan - Executive Director	09-02-2024
Anurag Surana - Non Executive and Non Independent Director	29-03-2023
Sanjay Mehta - Indpendent Director	13-05-2023
Hitesh Reshamwala - Indpendent Director	04-08-2023
Ketan Vyas - CFO	30-03-2023
Unnati Kanani - Company Secretary	30-03-2023

(iii) Companies over which the Directors have significant influence or control

Neogen Chemicals Limited

BULI Chemicals India Private Limited

Kagashin Global Network Private Limited

b) Related party transactions for the year ended March 31, 2024 (₹ in Crores)

	Particulars	for the year ended 31 March 2024
	Transactions during the Year :	
1	**Expenses**	
	Purchase of assets from Neogen Chemicals Ltd	54.89
	Interest on - ICD (Neogen Chemicals) including capitalisation	2.66
	Purchase of services (cross charge from NCL), including capitalisation	11.19
	Purchase of goods from Neogen Chemicals Ltd	11.51
2	**Relatives of key management personnel and their enterprises:**	
	Professional Fees	
	Kagashin Global Network Private Ltd	0.61
3	**Inter Corporate deposits**	
	Recevied from Neogen chemicals Ltd	119.10
	Repayment to Neogen Chemicals Ltd	3.10
4	**Sitting Fees paid to directors**	
	Sanjay Mehta	0.0075
	Hitesh Reshamwala	0.0025
5	**Equity Share capital**	
	Equity Investment from Neogen Chemicals Limited	5.00
6	**Balances o/s at the year end**	
	Other Payable -Neogen Chemicals	55.68
	Inter Corporate Deposit (ICD) - Neogen Chemicals Ltd	116.00
	Interest Payable on ICD - Neogen Chemcials Ltd	2.39

(₹ in Crores)

Note No. 35 - Other statutory information

i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

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

iii) The Company has not received any funds 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:

(a) directly or indirectly lends or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provides any guarantee, security or the like on behalf of the ultimate beneficiaries

iv) The Company has not advanced or loaned or Invested fund to any otherperson(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lends or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provides any guarantee, security or the like on behalf of the ultimate beneficiaries

v) The Company does not have any transactions with companies which are struck off

vii) The Company is not declared wilful defaulter by any bank or financial institution or lender during the period.

ix) **Subsequent Event**

There are no subsequent events which require disclosure or adjustment subsequent to the Balance Sheet date.

As per our report of even date
For JMT & Associates
Chartered Accountants
Firm Registration No. 104167W

Jayesh Shah
Partner
Membership No. 039910

Place: Thane
Date: 30 April, 2024

For and on behalf of the Board of Directors
NEOGEN IONICS LIMITED
CIN : U20119MH2023PLC399825

Haridas Kanani
Chairman & Managing Director
DIN - 00185487

Dr. Harin Kanani
Managing Director
DIN- 05136947

Ketan Vyas
Chief Financial Officer

Unnati Kanani
Company Secretary
M. no. A35131