

BOARD'S REPORT

To,
The Members of
M/s. Quality Needles Private
Limited New Delhi.

Your directors take pleasure in presenting the 38th Annual Report of the Company for the Financial Year ended on 31st March 2024 comprising of Balance Sheet and Profit & Loss Account and the Auditors Report thereon.

1. FINANCIAL RESULTS

Particulars	2023-24 (INR In Mn)	2022-2023 (INR In Mn)
Total Income	3203.76	2447.70
Revenue from Operations	3134.77	2345.79
Profit / (Loss) before Depreciation and Finance Cost	1706.13	1329.72
Finance Cost	6.49	5.33
Depreciation & amortization expense	130.45	115.99
Profit / (Loss) after Depreciation and before exceptional & extraordinary items	1569.19	1208.40
Exceptional Item	0	0
Profit / (Loss) before Tax	1569.19	1208.40
Tax Expenses	400.05	306.80
Profit After Tax	1169.14	901.60

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

2. COMPANY'S PERFORMANCE:

Revenue

During the year under review, your company achieved a turnover of INR 3134.77 Mn in comparison to INR 2345.79 Mn during the financial year 2022-2023 registering a growth of 33.6% over the previous year.



The Company reported a Net Profit of INR 1169.14 Mn as against INR 901.6 Mn earned during previous year registering growth of 29.67%.

Segment-wise Position of business and its operation

The Company has identified a single business segment being manufacture and sale of surgical suture needles. This being a single segment, hence no additional segment disclosure has been made.

3. ECONOMIC OUTLOOK AND IMPACT ON COMPANY

- United Nations Conference on Trade and Development (UNCTAD) has forecasted India's economy to grow at a rate of 6.5 percent in 2024. This projection follows a growth of 6.7 percent in 2023, indicating a continued upward trend. The report highlights India's position as the fastest-growing major economy globally. Several other institutions, including the International Monetary Fund (IMF), Moody's, and the Asian Development Bank (ADB), have also revised their estimates for India's economic growth upwards for the calendar year 2024. However, the Reserve Bank of India (RBI) has set a slightly higher estimate, projecting a 7 percent growth rate for the current financial year 2024-25.
- According to the World GDP Ranking 2024 list, India is the fifth largest economy in the world with a GDP of \$3.94 trillion. India is poised to become the third- largest economy globally in the next three years, reaching a GDP of \$5 trillion. India can aspire to become a USD 7 trillion economy in the next six to seven years (by 2030). In 2023, India's GDP per capita (nominal) was \$2,610.
- In FY25, as of April 5, 2024, foreign exchange reserves in India stood at \$648.56 Billion (Bn). India's overall exports in FY24 (April- March 2024) were estimated at \$776.68 Bn. Overall imports over the same period were estimated at \$854.80 Bn. According to the Department of Economic Affairs, India's foreign direct investment (OFDI) stood at \$28.64 Bn in FY 2024.
- The global medical device sector has grown significantly in the last decade and is estimated to reach \$433 Bn by 2025, growing at a compound annual growth rate of 4.1%.
- India is the 4th largest market for medical devices in Asia. The Medtech sector in India is currently valued at about \$14 Bn in 2022. The CAGR of exports over the last 4 years is 13.9% and CAGR of imports over last 4 years is 8.6%.
- The National Medical Device Policy envisions India to emerge as the global leader in the manufacturing and innovation of medical devices by achieving 10- 12% share in the expanding global market over the next 25 years. The medical devices sector in India is projected to reach US\$ 50 Bn by 2030.

Internally, the company has a strong order book covering the next 4-5 months of sales and is receiving regular enquiries from new customers, both domestic and international.



4. LEARNING AND DEVELOPMENT (L&D)

During the year, the Company prioritized the enhancement of staff competencies through a comprehensive Learning and Development (L&D) program. Soft skills training in Business Communication, Negotiation, Excel proficiency, and Business Etiquette was conducted company-wide to bolster overall effectiveness. Additionally, specialized training initiatives were tailored for "Next Gen Managers."

The manufacturing team received targeted training in MSDS, PMPSUR/EDUMAD, Needle Codification, Lean Manufacturing, Good Documentation Practices, Flattening & Curvature Issue Resolution, and Tips to Avoid Material Mixing. Beyond technical proficiency, emphasis was placed on workplace cleanliness, hygiene standards, POSH guidelines, discipline, and safety protocols.

5. MATERIAL DEVELOPMENT

During the year, the company has not developed or launched any new products.

6. SHARE CAPITAL

During the year under review,

There has been no change in Authorised Share Capital of the Company, which is INR 5,00,00,000/- divided into 50,00,000 equity shares of face value INR 10/- each as on 31st March 2024.

There has been no change in Paid-up Share Capital of the Company which is INR 52,11,000/- divided into 5,21,100 equity shares of face value INR 10/- each as on 31st March 2024.

I. Issue of Equity shares with differential rights:

The Company has not issued Equity shares with differential rights during the year and hence the disclosure requirements in this connection will not apply to the Company.

II. Issue of sweat equity shares:

The Company has not issued sweat equity shares during the year and hence the disclosure requirements in this connection will not apply to the Company.

III. Employee stock options:

The employees/ directors of the Company are eligible to participate in share-based compensation plans of Healthium Medtech Limited (formerly known as Healthium Medtech Private Limited) and may be granted incentive stock options as per terms and conditions as specified in these plans. These plans are assessed, managed and administered by Healthium Medtech Limited (formerly known as Healthium Medtech Private Limited), a Holding Company.

a) Healthium Performance Based Key Employee Stock Incentive Plan 2019 ("Performance MIP 2019")

In May 2019, the Company entered into an agreement with Healthium Medtech Limited ("HML") by which certain key employees of the Company received stock options from HML under the Performance MIP 2019. Vesting of the Performance MIP 2019 units is dependent upon the cumulative



value realized by the holding company of HML from the investment. Specifically, there is no time-based vesting for the Performance MIP units; instead, the vesting is based entirely on performance (as measured by returns to the holding company of HML). The equity shares covered under these options were to vest over a period ranging from 1 year to 4 years from the date of grant. Upon exercise, the Administrator (i.e. Board of directors of HML) shall be entitled to cause the options to be settled in cash or stock.

On 6th April 2023, the Board of Directors of HML approved the modification to the PMIP in regard to (i) the methodology to be adopted in determining the cumulative return realized by Apax IX Holdings Ltd with relation to its equity investment in HML and (ii) the treatment of the divestiture proceeds received in relation to sale of any of its subsidiaries at the time of exercise of options by the employees. Considering this and the settlement of TMIP options exercised into shares in the previous year by way of buy back, the management revisited the settlement criteria for the remaining options and is of the view that the probability of settling these awards will be in cash. Accordingly, this has been treated as a modification and recognised as a financial liability which is remeasured at fair value at the year end.

At the beginning of the year the balance of Performance MIP 2019 was 580,280 options. During the year, Healthium Medtech Limited granted an additional 91,280 options and Forfeited 45,640 options under Performance MIP 2019. As on 31st March 2024, outstanding options are 625,920.

b) Healthium Time Based Key Employee Stock Incentive Plan 2019' ("Time Based MIP 2019")

On 6th April 2023, the Board of Directors of Healthium Medtech Limited approved the modification to the Time-Based MIP in regard to the treatment of the divestiture proceeds received in relation to sale of any of its subsidiaries at the time of exercise of options by the employees. Considering this and the settlement of employee options exercised into shares in the previous year by way of buy back, the management revisited the settlement criteria for the remaining options and is of the view that the probability of settling these awards will be in cash. Accordingly, this has been treated as a modification and recognised as a financial liability which is remeasured at fair value at the year end.

At the beginning of the year the balance of Time-Based MIP 2019 was 26,600 options. During the year, HML granted an additional 19,600 options and forfeited 9800 options under Time Based MIP 2019. As on 31st March 2024, outstanding options are 36,400.

IV. Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees:

There are no shares of the Company which are held in trust during FY 2023-24 and hence the disclosure requirements in this connection will not apply to the Company.

V. Issue of debentures, bonds, warrants or any non-convertible securities:

The Company has not issued debentures, bonds, warrants or any non-convertible securities during FY 2023-24 and hence the disclosure requirements in this connection will not apply to the Company.

VI. Buy Back of Shares:

The Company has not bought back any of the shares during the Financial Year 2023-24 and hence the disclosure requirements in this connection will not apply to the Company.



7. **DIVIDEND**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income Tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law or foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

INTERIM DIVIDEND:

During the period under review, the Company had declared an interim dividend as detailed below:

Interim Dividend declared on 27 th June 2023	960.00	50,02,56,000/- (incl.TDS)
Interim Dividend declared on 5 th December 2023	1055.46	55,00,00,000 (incl. TDS)

FINAL DIVIDEND:

The Board of Directors have recommended a final dividend of INR 960.00/- (Indian Rupees Nine Hundred and Sixty only) per equity share of INR 1/- (Indian Rupee One Only) each fully paid-up equity share capital of the Company in the board meeting held on 24th June 2024. Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source.

8. **CHANGE IN THE NATURE OF BUSINESS**

During the period under review, there has been no change in the nature of business of the Company.

9. **DIRECTORS' RESPONSIBILITY STATEMENT**

As per Section 134(3) (c) read with sub-section (5) of the Companies Act, 2013 the Board of Directors makes the following statements:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for the period.
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The directors had laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.



- (e) The Directors had prepared the Annual Accounts on a going concern basis.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. SUBSIDIARIES/ JOINT VENTURES/ASSOCIATES

The Company do not have any Subsidiary/ Joint Venture/ Associate Companies which was formed or ceased during the financial year.

11. INFORMATION ABOUT HOLDING COMPANY

During the period under review, the Company's holding company is Healthium Medtech Limited. The current Shareholding Structure of the company is as follows: -

Name of Holding Company	Percentage of holding	Ownership status	Date of relationship, when company acquire the status of holding company
Healthium Medtech Limited (HML)	99.99%	Holding Company	8 th June 2022 (<i>Date of NCLT order in the matter of Scheme of Amalgamation</i>)
Quinag Acquisitions (FDI) Ltd ('Quinag') (Foreign Company)	99.34%	Holding Company of HML	22 nd June 2018

- One share held by Mr. Mahadevan Narayanamoni was transferred to Mr. Vishal Maheshwari via board resolution dated 27th June 2023 who holds the same on behalf of HML as Nominee.

12. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has in place an adequate system of internal financial controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures over financial reporting and such system over financial reporting were operating effectively as at March 31, 2024.

The internal financial controls system over financial reporting is established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India.

The Company has a well-equipped monitoring mechanism in place which enables the Company to ensure maintenance of required financial standards for the management of affairs of the Company.



13. FOREIGN EXCHANGE EARNINGS AND OUTGO

The transactions involving foreign exchange are as follows: -

Sl. No.	PARTICULARS	2023-24 (Amount in INR in Mn)	2022-23 (Amount in INR in Mn)
1	Foreign Exchange earnings (Income) (FOB value of export)	2368.71	1661.22
2	Foreign Exchange Outgo Go (CIF Value of Import)	208.02	225.89
3	Foreign Exchange Outgo	228.51	175.16

14. DEPOSITS

The Company has not accepted any deposit from the public in terms of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

Further, the Company has not accepted any loans from Directors of the Company during the year.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Companies Act, 2013 by the Company has been disclosed in the notes to the financial statements.

16. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2023-24 in the distributable retained earnings.

17. MEETINGS HELD DURING THE FINANCIAL YEAR

a) GENERAL MEETING

The Thirty Seventh Annual General Meeting of members of the Company was held on 19th July 2023.

No Extra-Ordinary General Meeting of members of the Company was held during the Financial Year 2023-2024.

b) BOARD MEETINGS

The Board of Directors had met five (5) times during the financial year 2023-24.



The maximum interval, as prescribed by the Companies Act, 2013, between any two meetings did not exceed 120 days anytime.

Following are the details of the attendance of the Directors with respect to the aforementioned Board Meetings:

Sl. No.	Date of Board Meeting	Name of the Directors attended meeting		
		Mr. Anish Vanraj Bafna	Mr. Vivek Vinod Singh	Mrs. Kankana Barua (appointed with effect from 9 th September 2023)
1	15 th June 2023	✓	✓	NA
2	27 th June 2023	✓	✓	NA
3	8 th September 2023	✓	✓	NA
4	5 th December 2023	✓	✓	X
5	22 nd March 2024	✓	✓	✓

✓: Present; X: Absent NA: Not Applicable

c) **COMMITTEE MEETINGS**

During the reporting period, there was one (1) CSR Committee Meeting was held details are as follows:

Sl. No.	Date of Committee Meeting	Name of the members attended the meeting	
		Mr. Anish Vanraj Bafna	Mr. Vivek Vinod Singh
1	20 th November 2023	✓	✓

18. **SECRETARIAL STANDARDS**

During the year under review, your Company has duly complied with Secretarial Standard 1 dealing with Meetings of the Board of Directors & Secretarial Standard 2 dealing with General Meetings, as notified by Central Government.

19. **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The details of Conservation of Energy and Technology Absorption and Foreign Exchange earnings and outgo are given in **Annexure-A**, and forms part of this report.

20. **RELATED PARTY TRANSACTIONS**

The particulars of all the contracts or/and arrangements entered into with the related parties are provided in prescribed **Form-AOC -2**, which is enclosed to this report as **Annexure-B**.

Further, all related party transactions that were entered into during the financial year were on arm's



length basis and in the ordinary course of business. There are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and approval of the Board of Directors / shareholders was obtained wherever required.

21. EXTRACTS OF ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the annual return as on March 31, 2024 is available on the Company's website at www.qualityneedles.com

22. PARTICULARS OF EMPLOYEES

During the period under review, there are employees in the Company who were in receipt of remuneration of not less than INR 1,02,00,000/- during the year or not less than INR 8,50,000/- per month during any part of the year.

The details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available during 21 days before the Annual General Meeting in electronic mode to any Shareholder upon request sent at cs@healthiummedtech.com.

23. MATERIAL CHANGES AND COMMITMENTS

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

24. RISK MANAGEMENT POLICY

The Company have in place a quality and health & safety policy which covers the requirement of periodic Risk Assessment of the product, issues related to environmental health and safety and Risk Management as the elements of risk threatening the Company's existence are very minimal. The Directors will be reviewing the policy at regular intervals of time and ensure proper Implementation of the policy formulated.

25. DIRECTORS / KEY MANAGERIAL PERSONNEL

During the year under review, Mrs. Kankana Barua was appointed as an Additional Director with effect from 8th September 2023

As on the financial year ended 31st March 2024, the following persons continued to be the directors of the Company:

Sr. No.	Name of the Directors	Designation
1.	Mr. Anish Vanraj Bafna	Director
2.	Mr. Vivek Vinod Singh	Director
3.	Mrs. Kankana Barua	Additional Director



In the board meeting held on 1st May 2024 Mr. Phani Gujjari was appointed as an additional director on the board with immediate effect and Mr. Vivek Vinod Singh resigned from the post of Director with effect from 1st May 2024.

26. SIGNIFICANT & MATERIAL ORDERS PASSED BY AUTHORITIES

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

27. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135(5) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013, the company has duly constituted CSR Committee as detailed hereunder and shall spend at least 2% of its average net profits for three immediately preceding financial years for the financial year 2023- 24 toward CSR activities:

Sl. No.	Name of the Committee Members
1	Mr. Vivek Singh - Chairman
2	Mr. Anish Vanraj Bafna- Member

The brief content of CSR policy adopted by the Board of Directors and the CSR Report as per the format notified in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, is attached as Annexure - C.

28. AUDITORS

a) Statutory Auditor

M/s. S.R. Batliboi and Associates LLP, Chartered Accountants, are the Statutory Auditors of the Company having office at 12th and 13th floor UB City Canberra Block No.24, Vittal Mallya Road, Bengaluru - 560001, who were re-appointed as Statutory auditors of the Company in the 35th Annual General Meeting of the Members held on 19th July 2021 to hold the office for the period of 5 years until the conclusion of 40th Annual General Meeting i.e. till 31st March 2026. M/s. S.R. Batliboi and Associates LLP, Chartered Accountants continue to hold office as Statutory auditors of the Company.

b) Cost Auditors

The Company has appointed M/s. Sandeep and Associates as the Cost Auditors for the Financial Year 2023-24. The cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 are maintained accordingly.

c) Internal Auditors

The Company has appointed M/s. Grant Thornton and LLP, Bengaluru as an Internal Auditor for FY 2023-24.



d) Internal Financial Controls Auditors

The Company has appointed M/s. Manian & Rao, Chartered Accountant as Internal Financial Controls auditor for FY 2023-24

29. BOARD'S RESPONSE TO AUDITOR'S QUALIFICATION, RESERVATION OR ADVERSE REMARKS, IF ANY:

There are no other qualifications or adverse remarks in the Statutory Auditor's Report which require any explanation from the Board of Directors.

30. DETAIL OF FRAUD REPORTED BY THE AUDITORS

The Auditors have stated in their report that no fraud pursuant to Section 143 (12) of the Companies Act, 2013 has been noticed in the Company for the Financial Year 2023-24.

31. SEXUAL HARASSMENT

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavor of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees regardless of position or contractual status, i.e. permanent, short- term contract, visitors and casual employees are covered under this Policy.

The Policy is gender neutral. During the year under review, there were no complaints reported.

32. WHISTLE BLOWER POLICY

The Company is covered under Healthium Whistleblower Policy which encourages directors and employees of the Company to bring to the Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of the Company, or actual or suspected instances of leak of unpublished price sensitive information, that could adversely impact your Company's operations, business performance and/or reputation.

During the year under review, there were no complaints received on account of Whistleblower.

33. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

As per the provision of Section 125(2) of the Companies Act, 2013, the company do not have any amount as an unclaimed dividend and hence, the need to transfer amount to the Investor Education and Protection Fund did not arise.



34. **DETAILS OF PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under reporting, there was no application made and also no proceedings were pending under the Insolvency and Bankruptcy Code, 2016 (IBC, 2016). Hence, the details relating to proceedings under IBC, 2016 and their status as at the end of the financial year were not offered.

35. **DETAILS OF THE DIFFERENCE AMOUNT OF THE VALUATION AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION AT THE TIME OF AVAILING LOANS FROM BANK OR FINANCIAL INSTITUTION**


The Company has not entered into any one-time settlement with any of its lenders. Hence, disclosure relating to the difference between the amount of the valuation at the time of one- time settlement and the valuation while taking loan from the Banks or Financial Institutions and its reasons are not applicable.

36. **ACKNOWLEDGEMENTS**

Your directors wish to place on record their sincere appreciation of the support and assistance extended by the Customers, Vendors, Bankers, Shareholders and Employees of the Company and look forward to their continued cooperation in future as well.

BY ORDER OF THE BOARD

For QUALITY NEEDLES PRIVATE LIMITED


ANISH VANRAJ BAFNA
Director
(DIN:02925792)



KANKANA BARUA
Director
(DIN: 09348557)

Address: 31, Embassy, Boulevard, Hisahalli,
Near Yelahanka Airforce Base
Hunsamaranahalli Post,
Hunsamaranahalli, Bangalore,
Karnataka 562157

Address: -701, Block A-1, L & T South
City Apartment, Arekere Mico Layout,
Bangalore south,
Bangalore, Karnataka 560076

Place: Bangalore
Date: 24.06.2024

Place: Bangalore
Date: 24.06.2024

Enclosures:

Annexure A Details of conservation of Energy and Technology

Annexure B Form no. AOC-2 Details of Related Party Transaction

Annexure C Annual Report on Corporate Social Responsibility (CSR) activities



ANNEXURE - A

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION


(Pursuant to provision of Section 134 (3) (m) read with Rule 8 of Cost (Accounts) Rules, 2014)

(A) Conservation of energy	
Steps taken / impact on conservation of energy, with special reference to the following:	
i Steps taken by the company for utilizing alternate sources of energy including waste generated	<p>Removed UPS from one Air Compressor</p> <p>In the case of UPS, there is 6% standard loss of energy however shifted to State Electricity Board (SEB) supply directly leads to saving of 7.5 KW/ per hour.</p> <p>Based on this change, the yearly savings are estimated to be approx. 63,900 units and in monetary value these saving amount to around INR 5.11 Lacs</p>
ii Capital investment on energy conservation equipment	<p>Open Access Solar Power 3MWp</p> <p>The Capex spending of INR 1.14Cr by way of equity contribution with M/s Fourth Partner Energy Pvt. Ltd. for signing open access solar power agreement which will generate annual savings of INR 88 Lacs per year for the next 20 years with derating factor of 20% over the next 20 years.</p>



(B) Technology Absorption	
i. Efforts, in brief, made towards technology absorption	NA
ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	NA
iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	
a. Details of technology imported.	NA
b. Year of import.	NA
c. Whether the technology been fully absorbed	NA
d. If not fully absorbed, areas where absorption has not taken place, and the reasons, therefore.	NA
iv. Expenditure incurred on Research and Development	NA

BY ORDER OF THE BOARD
For QUALITY NEEDLES PRIVATE LIMITED


ANISH VANRAJ BAFNA
 Director
 (DIN:02925792)




KANKANA BARUA
 Director
 (DIN: 09348557)

Address: 31, Embassy, Boulevard,
 Hisahalli, Near Yelahanka Airforce Base
 Hunsamaranahalli Post, Hunsamaranahalli,
 Bangalore, Karnataka 562157

Address: -701, Block A-1, L & T South
 City Apartment, Arekere Mico Layout,
 Bangalore south,
 Bangalore, Karnataka 560076

Place: Bangalore Date:
24.06.2024

Place: Bangalore Date:
24.06.2024

ANNEXURE – B

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES (Pursuant to provision of Section 134 (3) (m) read with Rule 8 of Company (Accounts) Rules, 2014)

Form AOC – 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not applicable
b)	Nature of contracts/arrangements/transaction	Not applicable
c)	Duration of the contracts/arrangements/transaction	Not applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not applicable
f)	Date of approval by the Board	Not applicable
g)	Amount paid as advances, if any	Not applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable



2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Name (s) of the related party & nature of relationship	Nature of contracts /arrangement s /transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or arrangement s or transaction including the value (in Mn), if any	Date of approval by the Board	Amount paid as advance s, if any (Amount in Mn)
1	Healthium Medtech Limited	Sale of Products	2023-24	250	15 th June 2023	Nil
2	Healthium Medtech Limited	Interim Dividend	2023-24	1050.25		Nil
3	Healthium Medtech Limited	Other services rendered	2023-24	4.69		Nil
4	Healthium Medtech Limited	Corporate Guarantee Commission	2023-24	1.00		Nil

BY ORDER OF THE BOARD
For QUALITY NEEDLES PRIVATE LIMITED

ANISH VANRAJ BAFNA
Director
(DIN:02925792)



KANKANA BARUA
Director
(DIN: 09348557)

Address: 31, Embassy, Boulevard, Hisahalli,
Near Yelahanka Airforce Base
Hunsamaranahalli Post,
Hunsamaranahalli, Bangalore,
Karnataka 562157

Place: Bangalore

Date: 24.06.2024

Address: -701, Block A-1, L & T South
City Apartment, Arekere Mico Layout,
Bangalore south, Bangalore, Karnataka
560076

Place: Bangalore

Date: 24.06.2024

ANNEXURE- C

1. Brief outline of the CSR policy of the Company:

The Company intends to make a positive difference to society and contribute its share towards the social cause for the betterment of society and the area in which companies operate. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to society.

As a responsible corporate citizen and as part of its endeavor towards inclusive development of society and community at large, Quality Needles Private Limited recognizes the significance of the philosophy and the concept of CSR, which will add value to the operations and contribute towards the long-term sustainability of the business and eventually, enhance the interests of the stakeholders and the society.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013 and rules made there under.

The CSR initiatives by the Company shall give preference to the local areas, which, however, will not directly relate to (i) the business of the Company and (ii) welfare of its employees.

2. The Composition of the CSR Committee

The Company has constituted a CSR Committee of the Board and the details of which are mentioned hereunder:

Sl. No.	Name of the Director	Designation / Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vivek Vinod Singh	Chairman	1	1
2.	Mr. Anish Vanraj Bafna	Member	1	1



3. Web-link where composition of CSR Committee, CSR policy and CSR projects approved by the Board.

The Composition of the CSR committee, CSR Policy and CSR projects approved by the Board are available on the Company's website at www.qualityneedles.com.

4. Executive Summary and with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014 and has initiated steps to conduct impact assessment of CSR projects. However, there are no projects that require impact assessment report for the FY 2023- 24.

- a) Average net profit of the Company as per Section 135(5): INR 933.85 Mn
- b) Two percent of average net profit of the Company as per section 135(5): INR 18.68 Mn
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- d) Amount required to be set off for the financial year, if any: NIL
- e) Total CSR obligation for the financial year (7b+7c-7d): INR 18.68 Mn

- 5.**
- a) Amount spent on CSR projects (both ongoing project and other than ongoing project): INR 7.077 Mn
 - b) Amount spent in Administrative Overheads: Nil
 - c) Amount spent on impact assessment, if applicable: Nil
 - d) Total amount spent for the financial year [(a)+(b) +(c)]: INR 7.07 Mn
 - e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Mn)	Amount Unspent (in Mn)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7.077	12.09 Mn	30 th April 2024	-	Nil	-



f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Mn)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	18.68
(ii)	Total amount spent for the financial year	19.17
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.49
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.49

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (In Mn)	Balance amount in unspent CSR account under sub-section (6) of Section 135 (In Mn)	Amount spent in the financial year	Amount transferred to a fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1.	2022-23	3.67		3.67	NIL	NIL	NIL	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year: Not Applicable



Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if Applicable	Name	Registered address


9. Reasons for not spending two percent of the average net profit as per sub-section (5) of Section 135:

During FY 2023-24, the Company has spent INR 7.07 Mn on various projects. The unspent balance of INR 12.09 Mn is towards various ongoing projects and has transferred it to the unspent CSR account and shall be spent in accordance with the CSR Rules.

BY ORDER OF THE BOARD
For QUALITY NEEDLES PRIVATE LIMITED


ANISH VANRAJ BAFNA
Director
(DIN:02925792)




KANKANA BARUA
Director
(DIN: 09348557)

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City Apartment, Arekere Mico Layout,
Bangalore south,
Bangalore, Karnataka 560076

Place: Bangalore Date:
24.06.2024

Place: Bangalore Date:
24.06.2024