

EXCELLENCE INNOVATION COLLABORATION



ANNUAL REPORT 2023





Corporate Information

Anthem Biosciences Private Limited

CIN: U24233K A2006PTC039703

Registered Office

Unit I: No. 49, F1 & F2, Canara Bank Road, Bommasandra Industrial Area Phase 1, Bommasandra, Bangalore, 560 099, India

Unit II: Plot No. 276-P & 277-P, Survey No. 20, Harohalli Industrial Area, Phase II, Near Bannikuppe Village, Kanakapura Taluk, Ramnagar District, Harohalli, Karnataka 562112, India

NeoAnthem Lifesciences Private Limited

CIN: U24239KA2020PTC136337

Registered Office

No. 49, F1 & F2, Canara Bank Road, Bommasandra Industrial Area, Bengaluru, Bangalore, Karnataka, India, 560099

Unit III: 313-P, 314-P & 318-P, Bannikuppe Road, Harohalli Industrial Area, Phase II, Harohalli, Kanakapura Taluk, Ramanagara District, Harohalli, Karnataka, 562112, India

Auditors

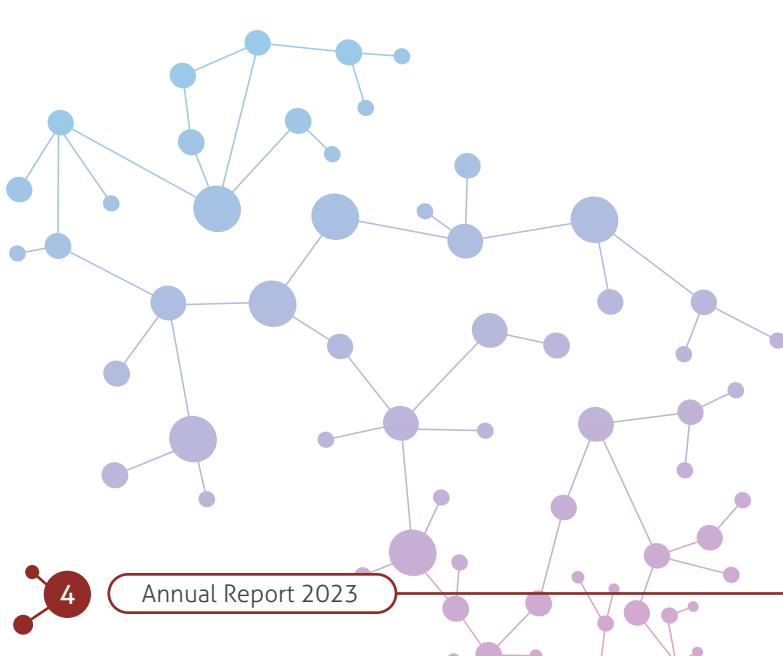
KP Rao & Co.

Chartered Accountants

Poornima, 2nd Floor, 25, State Bank Road, Bangalore, Karnataka, 560001, India

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Message from the CEO, Founder and Managing Director

Reflecting on the challenges of the past year, marked by global uncertainties, increased costs due to rising oil prices, and geopolitical tensions in Europe, Anthem Biosciences navigated the complexities of a global business, confronting price erosions in the US and Europe. Regulatory compliance, particularly compliance to USFDA norms and other international regulatory standards have added to our cost escalation. Despite these hurdles, our unwavering commitment to customers, adherence to delivery timelines, emphasis on quality, and continuous innovation positions us for a more promising outcome in the fiscal year 2023-24.

Significant investments have been made in expanding our manufacturing infrastructure, particularly with the completion of Unit II expansion in Harohalli. The addition of CP3, CP4, and CP5, along with ongoing projects such as CP6 (new chemistry block) and a new fermentation block, has increased Unit II's capacity from 135 KL across 35 reactors to 250 KL across 60 reactors. CP5, has been commissioned and enhances continuous flow manufacturing from lab scale to GMP scale.

Our commitment to growth is further evident in the construction progress of Unit III under our wholly owned subsidiary, NeoAnthem Lifesciences Private Limited, in Harohalli. Expected to commence production in 2024, Unit III will focus on commercial scale manufacturing of High-Potent Compounds and Peptides. This expansion includes cutting-edge Chemistry Lab capabilities, the state-of-the-art chemistry lab facility can conduct 250 reactions a month, supporting development, scale-up, and tech transfer programs. Unit I & Unit II will continue the manufacturing of commercial batches.

A major achievement this year was the successful inspection of Unit II by USFDA and TGA, opening new market opportunities. Both Unit I and Unit II are now USFDA approved, serving three of the Top 5 Global Big Pharma companies.

Aligned with our commitment to innovation, technology, high-quality standards, and a customer-first approach, Anthem Biosciences remains steadfast in addressing biological and chemical challenges through technology. We look forward to a year of stability and continued success.

Ajay Bhardwaj
Chief Executive Officer



Message from Chief Scientific Officer, Co-Founder and Director

I am delighted to provide an overview of our Research and Development endeavors at Anthem Biosciences, showcasing our comprehensive capabilities across the entire spectrum of molecular domains. Our commitment to innovation and technology is evident in our ability to cover Small Molecules, Oligonucleotide/Peptide/RNAi, Small Protein, Fragment Antibody, Bio-therapeutics, and ADCs. This strategic approach allows us to offer a complete range, catering to the diverse needs of our innovator clients, spanning from small molecules to large molecules.

Within our CRO services for small molecules, our portfolio is robust and diverse, encompassing Biocatalysis, Flow chemistry, Photochemistry, Electrochemistry, Metal/Pincer chemistry, Micellar chemistry, Lipids, Oligonucleotides, and Peptides. Each area is meticulously crafted to deliver high-quality solutions, reflecting our commitment to excellence in small molecule research and development.

In large molecules, our expertise extends to both microbial and mammalian systems, focusing on enzymes, monoclonal antibodies (mAbs), bio-therapeutics, and protein development and manufacturing.

Anthem's Expertise spans across the Entire Spectrum of Small to Large Molecules

Molecule Size

	Small Molecules	Oligonucleotide / Peptide / RNAi	Small Protein Fragment Antibody	Antibody	ADC
Anthem's Platform Technologies	<ul style="list-style-type: none">▪ Bio Catalysis▪ Flow Chemistry▪ Photo Chemistry▪ Electro Chemistry▪ Metal / Pincer Catalysis▪ Micellar Chemistry▪ Lipids	<ul style="list-style-type: none">▪ Liquid / Solid phase production of nucleotide and peptide▪ Peptides▪ Oligonucleotides▪ RNAi	<ul style="list-style-type: none">▪ Microbial / Mammalian secretory production system for small proteins▪ Enzymes▪ Peptides	<ul style="list-style-type: none">▪ Mammalian antibody production technology▪ mAbs▪ Bio-therapeutics	<ul style="list-style-type: none">▪ Site Specific conjugation and linker technology▪ ADCs
CDMO Capabilities	Small Molecule API / Intermediate Manufacturing	Solid phase production of Peptides / Oligonucleotide		Recombinant Protein Production	ADC Conjugation

Anthem has been able to Leverage its Fully Integrated Capabilities Across Both Small and Large Molecules

As part of our ongoing commitment to staying at the forefront of innovation, we are excited to announce the establishment of an Oligonucleotide lab in Unit I which will be live in second half of 2023. At Anthem Biosciences, we remain steadfast in our pursuit of scientific excellence and pioneering solutions, continually pushing the boundaries of what is possible in the world of biopharmaceuticals. We look forward to the opportunities and challenges that the coming year holds and are confident in our ability to drive innovation in the industry.

Ganesh Sambasivam
Chief Scientific Officer



Message from Chief Operating Officer, Co-Founder and Director

Anthem Biosciences has an unwavering commitment to upholding the highest standards in our operations within the highly regulated pharmaceutical space. Our dedication to training, safety verification, quality assurance, and compliance remains steadfast, ensuring that we meet and exceed the rigorous expectations set forth by global regulators, exemplified by the successful inspection and approval of our Unit II manufacturing facility by the US FDA.

In line with our commitment to transparency and accountability, we have prioritized the enhancement of our non-financial reporting while actively monitoring our societal impact. Notably, our renewable energy dependency has risen to an impressive 90%+, reflecting a significant increase from the previous financial year's 75%. This has also resulted in a 14% reduction in per KWH cost through the introduction of energy-conserving initiatives, and the sustained implementation of technology and automation initiatives for over a decade to promote energy conservation.

Furthermore, in wastewater management, 48% and 77% of wastewater generated is being recycled at our Bommasandra and Harohalli sites, respectively. We have also quantified reductions in GHG emissions for both Scope 1 and Scope 2, our GHG Intensity (Scope 1 + Scope 2) measured in tCO2e/Million INR is 1.24, which is one of the lowest in the industry. We have also maintained low air emission parameters within permissible limits, coupled with ongoing initiatives for odour management.

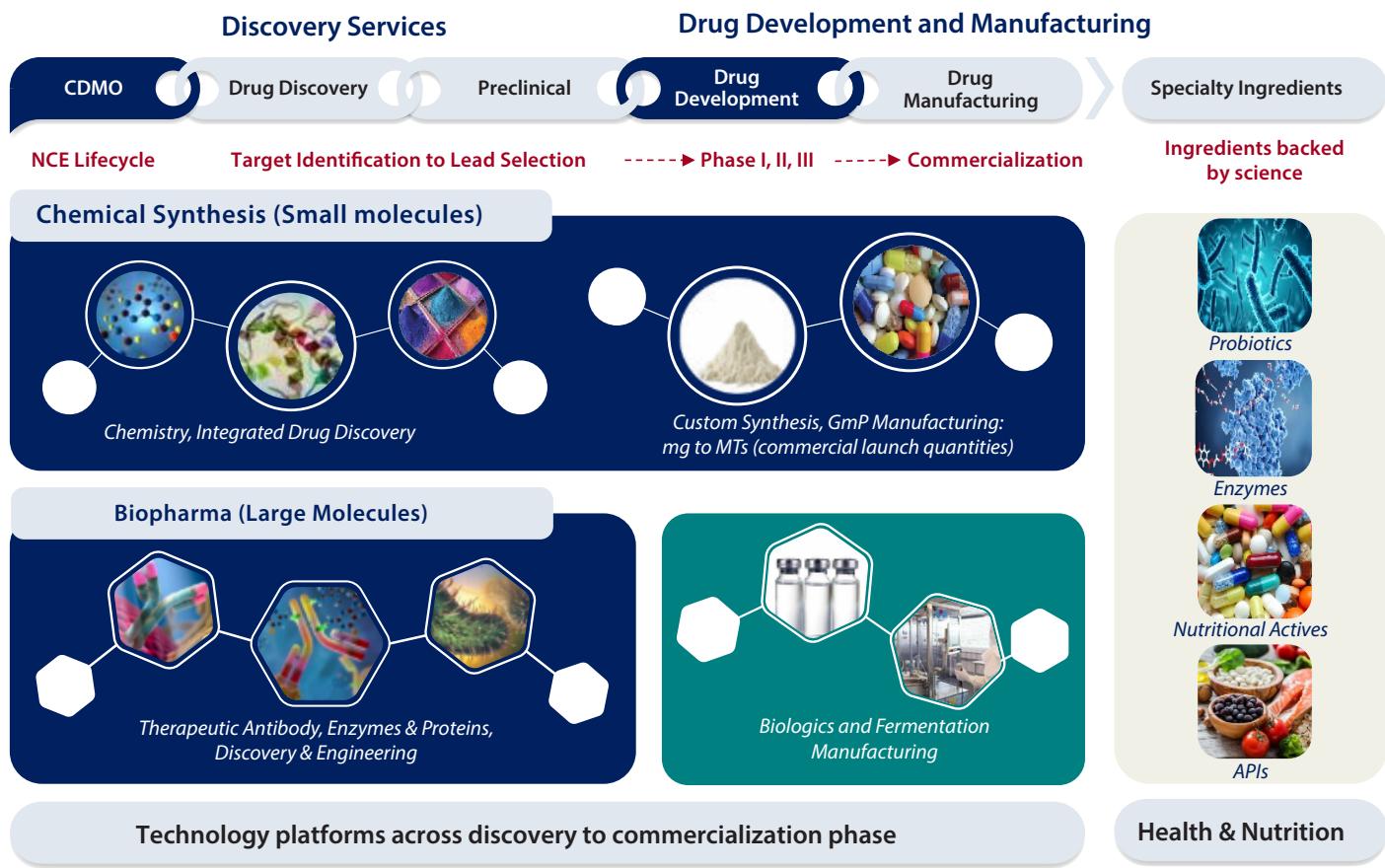
In our pursuit of social responsibility, we have made contributions to local organizations for CSR initiatives and actively participated in the redevelopment of the lake at Bommasandra. Upholding the highest standards in corporate governance, we proudly note that 17% of managerial positions at Anthem are held by women, and 58% of our talented workforce comprises postgraduates. As we reflect on the achievements of the past year, Anthem Biosciences remains dedicated to continuous improvement, innovation, and responsible business practices, positioning ourselves as leaders not only in our industry but also in corporate governance and environmental stewardship.

Ravindra KC
Chief Operating Officer

Anthem Biosciences - An Overview

Founded in 2006 in Bangalore, Anthem Biosciences Private Limited has emerged as a distinguished Contract Development & Manufacturing Organization (CDMO) specializing in early-stage drug discovery services with its services encompassing medicinal chemistry, process chemistry, custom synthesis,

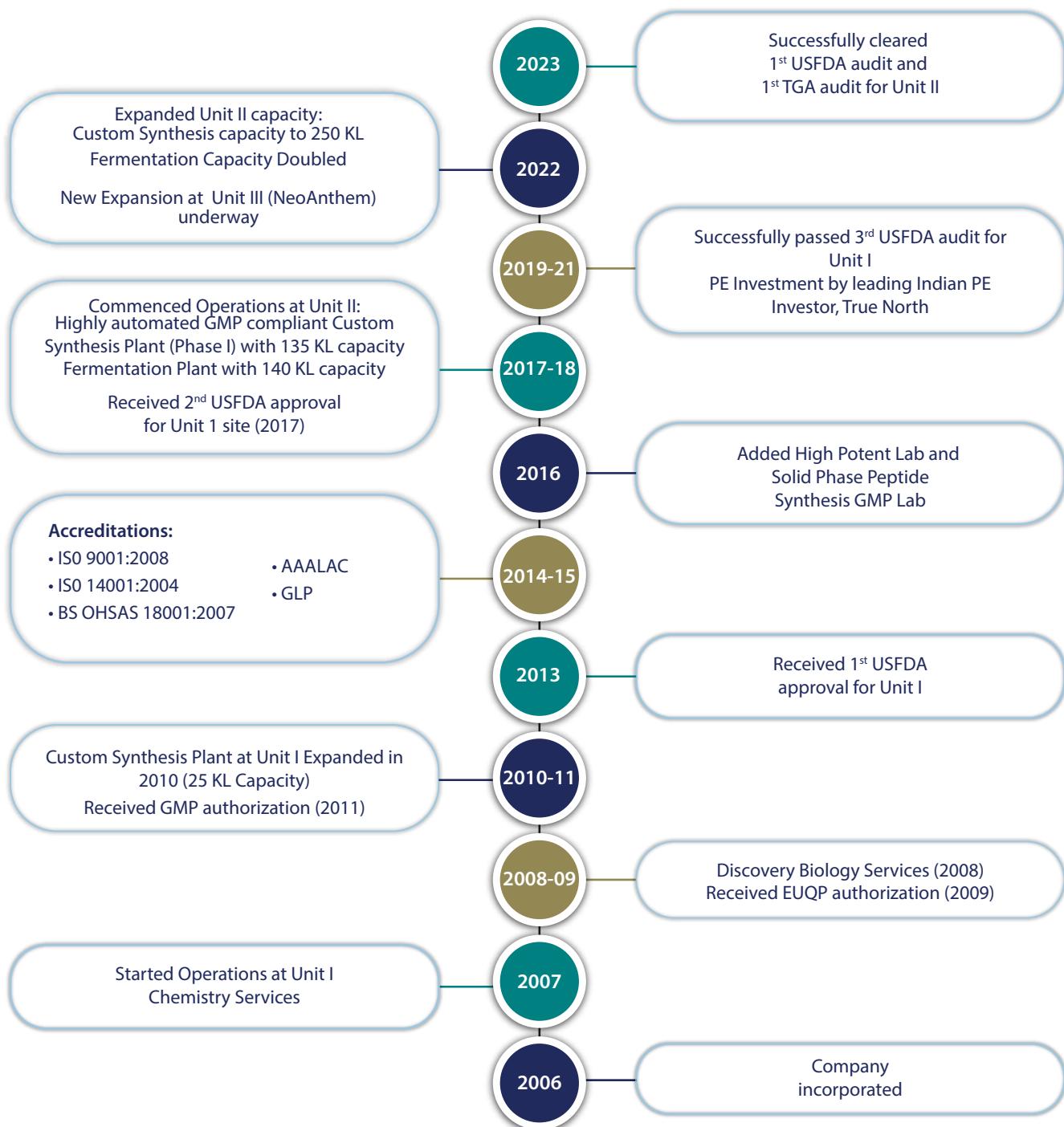
discovery research and analytical R&D. Over the years, Anthem has forward integrated into contract manufacturing to benefit from the synergies arising out of its involvement in the development of the product.



The company's journey began with the initiation of operations at Unit I - Chemistry Services in 2007, expanding into Discovery Biology Services in 2008 and achieving EUQP authorization in 2009. Anthem's commitment to quality standards saw the receipt of GMP authorization in 2011 and the first USFDA approval for Unit I in 2013. Accredited with ISO, BS OHSAS, AAALAC, and GLP certifications in 2014-2015, the company continued to enhance its capabilities by adding High Potent Lab and Solid Phase Peptide Synthesis GMP Lab in 2016. The expansion continued with the commencement of operations at Unit II in 2017-2018,

obtaining the second USFDA approval for Unit I in 2017. Anthem successfully navigated its third USFDA audit for Unit I in 2019. In April 2021, the company experienced a significant milestone with a PE investment from True North, leading to the expansion of Unit II's Custom Synthesis and Fermentation capacities. Further, in 2023, Anthem achieved notable success by clearing the first USFDA audit and the first TGA audit for Unit II, while also initiating a new expansion at Unit III (NeoAnthem). Anthem Biosciences continues to stand at the forefront of the industry, driven by innovation, technology, and a customer-first approach.

A Preferred CDMO Partner for Big Pharma & Emerging Biotech Innovators Globally



Anthem's Products and Service offerings include:

1. CRO/CDMO Services	2. Specialty Ingredients
<ul style="list-style-type: none"> Large and Small Therapeutic Molecules Process Optimization using Novel Technologies (Bio-catalysis, Flow Chemistry, Continuous Processing, Peptides, Fermentation, High Potent, Electro-chemistry, Metal-mediated Chemistry) 	<ul style="list-style-type: none"> Biosimilars, Novel Biologics, Fermentation Products, Probiotics, Enzymes, Nutritional Actives, Vitamin Analogues and APIs

State-of-the-art Infrastructure

Anthem Biosciences boasts state-of-the-art manufacturing infrastructure spread across three units in Bangalore, India.

Unit I: Bommasandra

Established in 2007, this US FDA approved facility spans 5 acres with a built-up area of 3,245 m². Equipped with 27 reactors ranging from 20 L to 3 KL, it accommodates Kilo lab, pilot, and small-scale manufacturing, offering a total custom synthesis capacity of 25 KL. The unit features a range of services and labs, including chemistry R&D, DMPK labs, vivarium, discovery biology labs, analytical lab, and a small-scale GMP lab. With key instruments like HPLC and LCMS, the GMP quality control lab ensures top-notch quality.



Unit II: Harohalli

Established in 2017 and occupying 15 acres, this US FDA approved, automated manufacturing facility focuses on chemistry and biology. Small Molecule and Flow Chemistry blocks being commissioned in late 2022, the facility is designed for parallel manufacturing of multiple large-scale products. With a total reactor capacity of 250 KL in custom synthesis and 140 KL in fermentation, the unit emphasizes state-of-the-art cGMP compliance. It features 5 dedicated finishing suites for wet and dry processing and cutting-edge capabilities in cryogenic and high-temperature reactions.



Unit III: NeoAnthem

Scheduled for phased commissioning in 2024, NeoAnthem spans 8 acres and integrates various manufacturing capabilities. With a custom synthesis capacity of 25 KL and fermentation capacity of 40 KL, it includes chemistry labs, hydrogenation facilities, pilot and kilo labs, and specialized

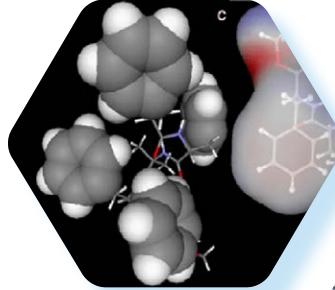
areas for high-potent molecules, probiotics, enzymes, and biosimilar drug substance manufacturing. The facility also houses R&D labs, warehouses, and other utilities for a comprehensive approach to bioprocess operations.



Chemistry Lab and Hydrogenation Facility



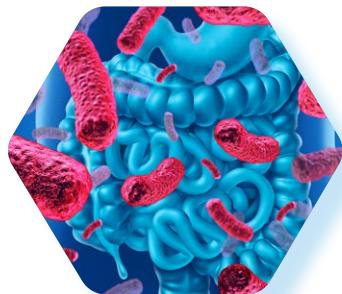
Pilot and Kilo Lab



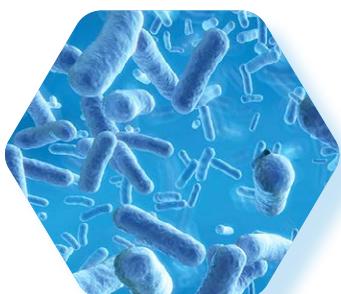
Peptides Manufacturing



Hi-Potent Facility



Probiotics & Enzymes (Integrated Manufacturing Facility – DS/PFI/DP)



Biosimilar Drug Substance Manufacturing (Microbial & Mammalian)



Multi-Product Sterile Drug Product Manufacturing Facility

Innovation & Technology

Anthem Biosciences stands at the forefront of innovation and technology in the realm of biopharmaceuticals, showcasing a comprehensive expertise that spans the entire spectrum from small to large molecules. In small molecules, Anthem's platform technologies exhibit a pioneering approach, including Bio Catalysis, Flow Chemistry, Photo Chemistry, Electro Chemistry, Metal/Pincer Catalysis, Micellar Chemistry, and Lipids.

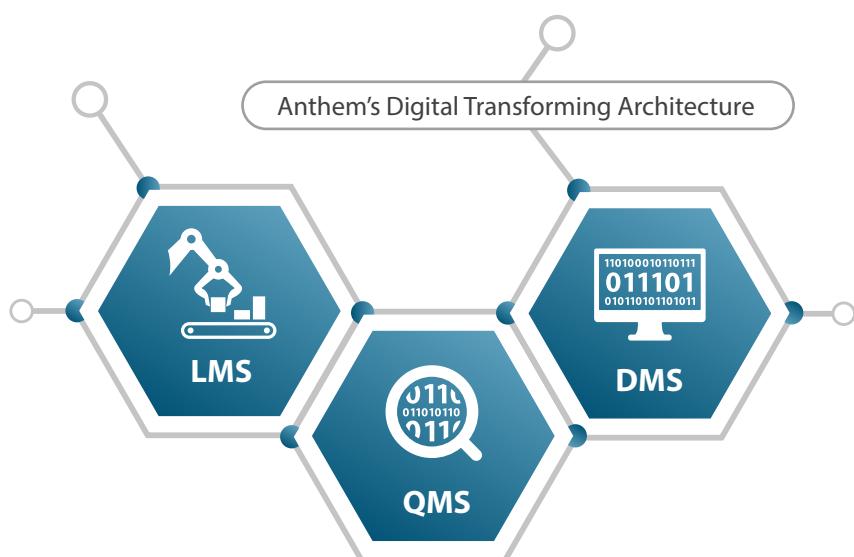
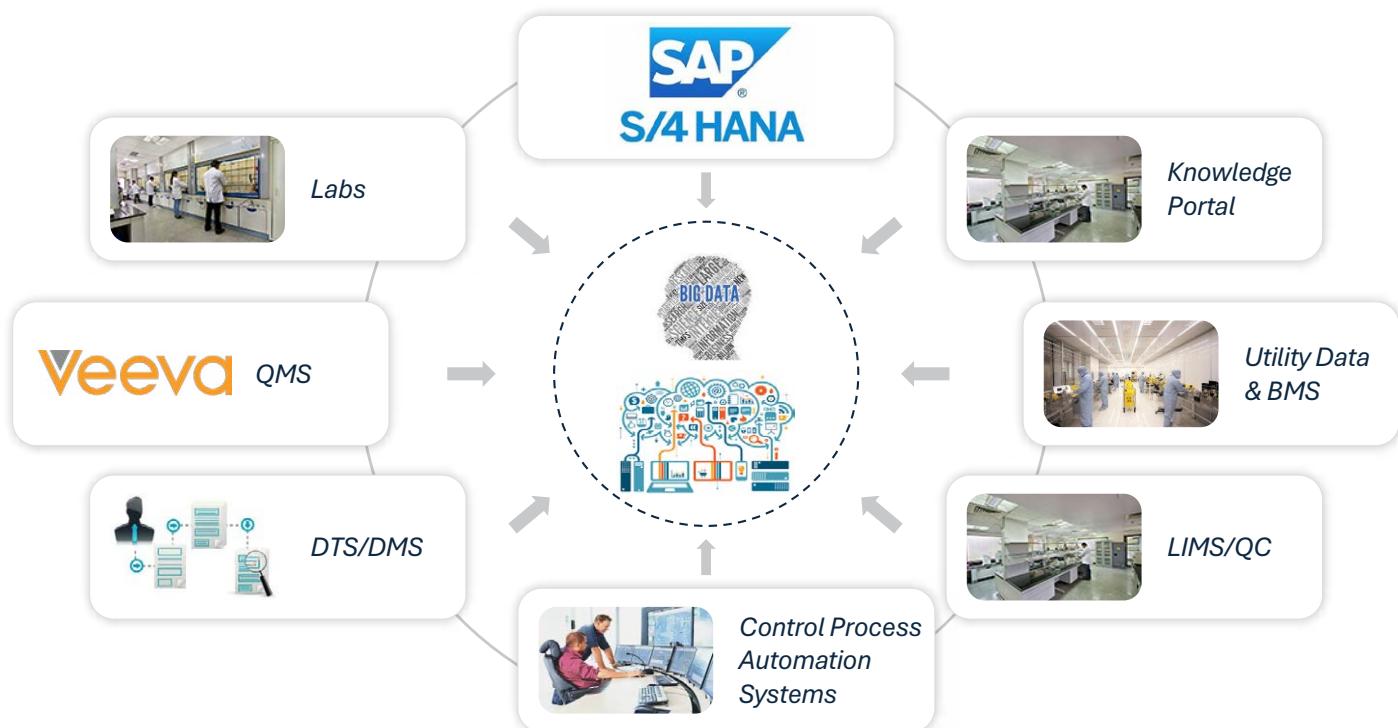
The company's Contract Development and Manufacturing Organization (CDMO) capabilities extend across Small Molecule API/Intermediate Manufacturing, Oligonucleotide/Peptide/RNAi production through liquid and solid-phase methodologies.

The company also specializes in recombinant protein production, antibody development, and advanced technologies for Antibody-Drug Conjugates (ADCs), including site-specific conjugation and linker technology. Anthem seamlessly integrates its capabilities across both small and large molecules, positioning itself as a leader in the biopharmaceutical industry.

Digital Transformation and High-Quality Standards

Anthem Biosciences sets the gold standard in quality with its digital transformation initiatives. Fuelled by world-class automated systems and frameworks, the company ensures flexibility, efficiency, and detailed analytics access. The integration of SAP/Hana powers Anthem's IT systems, creating a robust network where every unit and division are securely interconnected. The in-house data centers, infrastructure, applications, and endpoints operate on a virtualized model, all delivered from centralized data centers. The company also embraces a platform-based approach for quality systems, incorporating Document Management Systems (DMS),

Learning Management Systems (LMS), Quality Management Systems (QMS), and various other tools and systems across its knowledge portal, utility data, Building Management Systems (BMS), Laboratory Information Management Systems (LIMS), Quality Control (QC), and Control Process Automation Systems, demonstrating its commitment to excellence in the digital landscape.



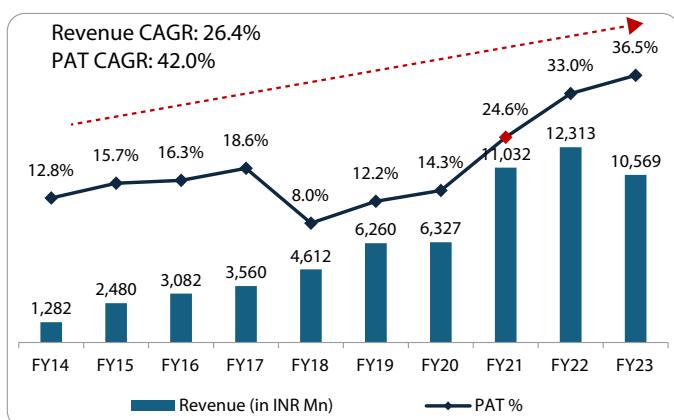


Customer-First Approach

As a trusted partner for both new-age Biotechnology Companies and Global Big Pharma Customers, Anthem prioritizes a customer-first approach. The company's broad spectrum of offerings includes Contract Research and Innovation Services, catering to the needs of emerging biotech startups and established pharmaceutical giants. Anthem's labs, staffed with over 2,000 researchers, contribute to the development, optimization, and testing of a diverse range of pharmaceutical products, including proteins, monoclonal antibodies, peptides, large and small molecules, toxins, and more. The customer-first philosophy extends beyond research and development to encompass safety testing, efficacy assessments, pre-clinical animal studies, clone development, Antibody Drug Conjugates, and the production of highly potent compounds.

Market Leadership and Future Outlook

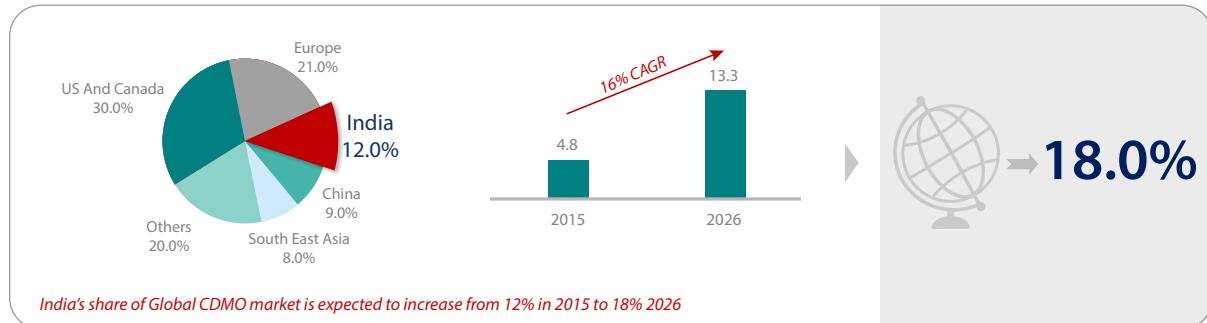
Anthem Biosciences stands as a market leader in the Indian CDMO industry, offering world-class infrastructure for GMP synthesis across both chemistry and biology. Since inception the Company has demonstrated a sustained improvement in its scale of operations, the last 9 years revenue CAGR has been 26.4%, leading to healthy operating and net profit margins, while maintaining its strong liquidity position and debt metrics.



With business model focused towards an integrated service offering for Drug Discovery, Development and Manufacturing, the Company is a market leader in the Indian CDMO (Contract Development & Manufacturing Organisation) Industry. India is fast emerging as a preferred destination for outsourcing of Drug Discovery and Development Services, on account of having lower cost and talented pool of skilled labour as compared to western countries.

India is expected to outpace the growth of the Global Drug Discovery and Development market and Anthem Biosciences Private Limited will play a significant role in the overall Drug Discovery, Development and Manufacturing, outsourcing to India.

India is expected to outpace the growth of Global CDMO market (USD Bn)



Divisional Reviews



CHEMISTRY

Chemistry Services

In Chemistry Services, we offer a spectrum of solutions ranging from Medicinal Chemistry to Custom Synthesis and GMP Synthesis. Our expertise extends from proof-of-concept studies to multi-ton scale manufacturing, covering diverse areas such as complex intermediates, GMP starting materials, NCEs/APIs for clinical trials, pro-drugs, and more. Key technologies include Hydrogenation, Large Scale Chromatography, Cryogenic Reaction, Metal-Mediated Synthesis, High Potent (Containment) Suites, Flow Chemistry, and Solid Phase Peptide Synthesis. These technologies are backed by cutting-edge tools and software, ensuring precision and efficiency in our processes.

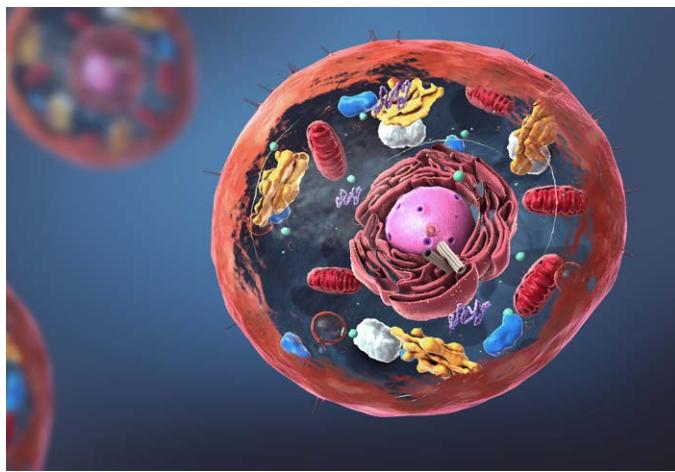
Analytical Services

In Analytical Services, our offerings span Analytical Method Development, Isolation of impurity, Analytical Method Validation, Process Optimization, and more. The division boasts state-of-the-art instrumentation, including a dedicated separation science lab, Flash Chromatography system, Biotage with UV & ELSD detectors, Grace Reveleris,

Preparative HPLC systems, and Gilson automated purification system. Our experienced scientists are adept at adhering to various pharmacopoeia standards, such as USP/NF, EP, BP, JP, ACS, AOAC, and client-provided methods, ensuring rigorous quality control.

Preclinical Services

In Preclinical Services, we specialize in Pharmacology, covering areas such as Oncology, Inflammation, Metabolic Disorders, and Anti-infectives. Our Toxicology services encompass General Toxicology, Genetic Toxicology, Pathology, and Clinical Chemistry, while Drug Metabolism and Pharmacokinetics (DMPK) services include Bioanalytical Research (BAR), In Vivo Metabolism, and In Vitro DMPK.



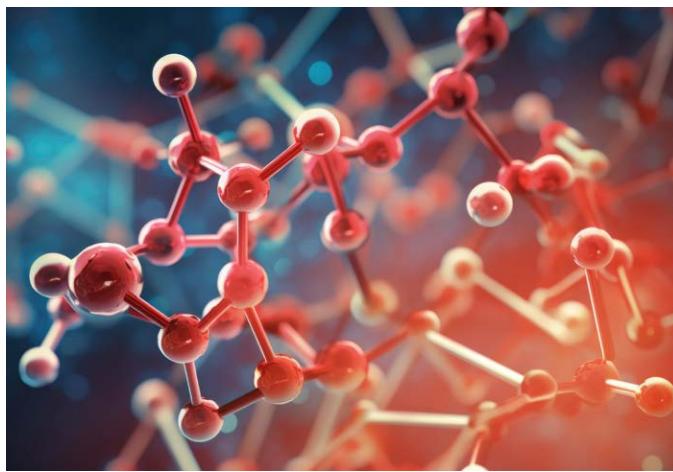
BIOLOGICS & BIOSIMILARS

In biologics, Anthem's capabilities are extensive, covering the entire spectrum of process analytical development, from conceptualization to optimization. The expertise includes the absorption of cutting-edge technologies and processes, facilitating seamless technology transfer from laboratory to commercial scales. Anthem has capabilities in generating non-clinical grade materials and is adept at working with various processes such as bacterial fermentation (including *Lactobacillus*, *Bifidobacterium*, *Bacillus* species, *E. coli*, etc.), filamentous bacterial fermentation (*Streptomyces*, *Actinoplanes* species), fungal fermentation (*Aspergillus*, *Trichoderma* species), yeast (*Saccharomyces cerevisiae*, *P. pastoris*), mammalian cells (CHO, NSO, etc.), and plant cells. Their proficiency extends to low, medium, and high-pressure chromatography, covering both upstream and downstream process development and scale-up.

In Bio-therapeutics, Anthem's capabilities excel in the production of Microbial Biosimilars, including Insulin, Glargine, Lispro, GCSF, and PEG-GCSF. The Clone Development process involves establishing high-expression clones and ensuring their stability. Anthem's expertise in upstream processes encompasses shake flask studies, process optimization, and scale-up, addressing crucial parameters like pH, dissolved oxygen (DO), induction, and cell harvest. The downstream process involves IB (Inclusion Body) isolation and purification, cell lysis using a homogenizer, chromatography employing low and high-pressure techniques, as well as Tangential Flow Filtration (TFF) and sterile filtration. This holistic approach to biologics and bio-therapeutics positions Anthem as a leader in the development and production of a wide range of biological products.

Anthem Biosciences has made significant strides in the development of biosimilars, particularly in the area of recombinant human insulin and insulin analogues. The company has successfully established an *E. coli* expression system for the commercially viable production of recombinant human insulin, insulin glargine, and insulin lispro – key components in the treatment of diabetes-related disorders. Through ongoing research and development initiatives, Anthem has created three distinct *E. coli* clones, demonstrating lab-scale process consistency and establishing biosimilar quality for each product. The company has also formulated protocols for toxicity and safety studies in animals, obtaining necessary approvals from both the Animal Ethics Committee (AEC) and the Review Committee for Gene Manipulation (RCGM) for preclinical research studies.

In addition to insulin analogues, Anthem has excelled in the development of a commercially viable *E. coli* expression system for recombinant Granulocyte-Colony Stimulating Factor (GCSF) and PEG-GCSF. GCSF, a protein that stimulates the production of granulocytes and stem cells in the bone marrow, has been successfully expressed in *E. coli*, chosen for its reported shorter fermentation cycle times. Recognizing the challenge of GCSF's short half-life necessitating repeated administration, Anthem has innovatively developed PEG-conjugated GCSF as a second-generation product. The company has demonstrated the consistency of the process, drug substance, and drug product quality through five lab-scale batches, with a primary focus on achieving a higher yielding process and quality matching that of the innovator.



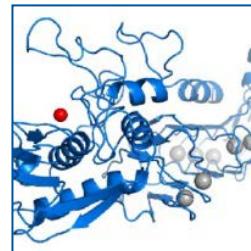
PEPTIDES

Anthem Biosciences has outstanding capabilities in peptide synthesis, employing three distinct approaches – Solution Phase, Solid Phase, and the innovative Hybrid Model. The primary chemical techniques utilized for small peptide production involve Solid Phase Peptide Synthesis (SPPS) and Solution Phase Synthesis (SPS). Anthem's expertise in peptide synthesis is showcased through extensive experience in protection/deprotection strategies for both N-terminal and C-terminal protection. The team is adept at designing efficient synthesis routes for target peptides, performing functional group transformations for the production of unnatural amino acids, and handling various peptide coupling reagents such as HATU, TBTU, PyBrop EDC HCl, DCC, and T3P/DIC during amino acid coupling.

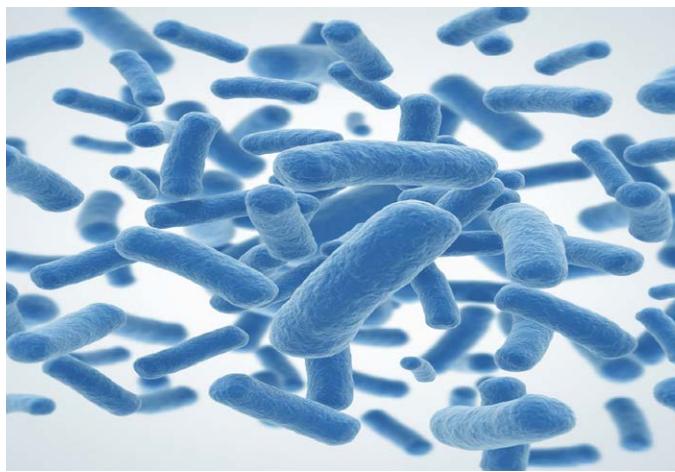
Anthem is also capable of developing analytical techniques for intermediate/target peptide analysis, including amino acid sequencing, CHN analysis, and TFA acetate salt analysis. Purification techniques involve Prep HPLC, Biotage purification systems, and DAC chromatography at different column lengths (50, 80, 150, 450 mm). Under the umbrella of peptide synthesis services, Anthem offers expertise in route scouting/design, process optimization, technology transfer from lab to commercial scales, process validation, and commercial supply. In Solid Phase Peptide Synthesis (SPPS), Anthem's proficiency extends to the synthesis of linear peptides (up to 50 amino acids) with both natural and unnatural amino acids, branched peptides, cyclic peptides, and multi-disulfide bridging peptides. The isolation and filtration processes encompass both lab-scale and large-scale lyophilization using freeze dryers and centrifuges. Purification is carried out through small and mid-scale RP-HPLC, Biotage purification, and DAC/ion exchange chromatographic purification systems. Anthem's comprehensive capabilities in peptide synthesis position it as a leader in delivering high-quality peptides for various applications. Anthem's peptide profile, encompasses therapeutic peptides like Semaglutide, Plecanatide, Linaclotide, Liraglutide, and Cilengitide, which target conditions such as Type 2 Diabetes mellitus, Chronic Idiopathic Constipation, Irritable Bowel Syndrome, and Obesity.

SPECIALITY INGREDIENTS

Serratiopeptidase Protease

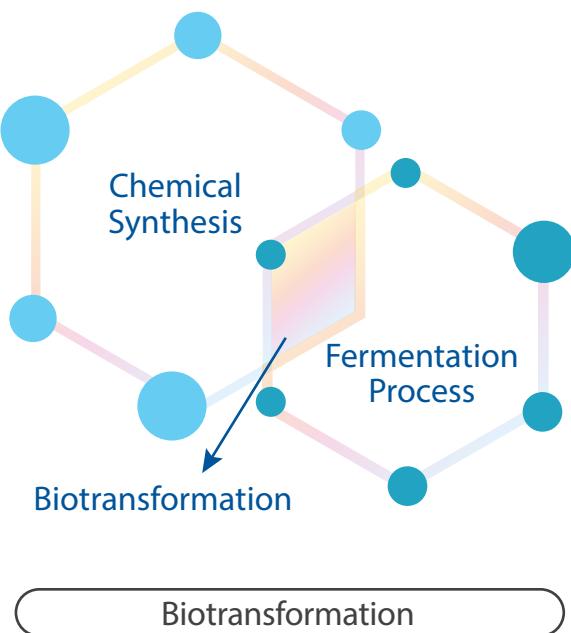


In fermentation products, Anthem has demonstrated prowess by successfully developing and commercializing niche products. One such triumph is the commercialization of Serratiopeptidase, a proteolytic enzyme renowned for its anti-inflammatory, antiedemic, analgesic, fibrinolytic, and caesinolytic properties. With an understanding of the production, purification, and characterization of Serratiopeptidase, Anthem has successfully scaled the process within its dedicated large-scale fermentation manufacturing facility, positioning Serratiopeptidase as a well-established commercial product. Anthem is currently manufacturing Serratiopeptidase at 30 KL scale and is the leading manufacturers of Serratiopeptidase in India.



Vitamin K2 (Menaquinone-7)

Another notable success for Anthem in the fermentation arena is the production of Vitamin K2 (Menaquinone-7). Essential for regulating calcium in the human body, Vitamin K2 is naturally produced by gut bacteria and is found in fermented cheese, natto (fermented soybean), and organ meat. Anthem has achieved the production of natural Vitamin K2 (MK-7) through a biotransformation process, seamlessly combining chemical synthesis and fermentation.



This innovative approach not only ensures the stability and quality of the product but also aligns with principles of green chemistry, offering a cost-effective solution with minimal environmental impact. Anthem's accomplishments in developing and commercializing these fermentation products underscore its commitment to advancing biotechnology with a focus on sustainability and efficacy.

Probiotics & Enzymes

Anthem Biosciences showcases extensive capabilities in Probiotics & Enzymes, exemplified by their Clone to Clinic (C2C) proficiency. With a focus on bulk Active Pharmaceutical Ingredient (API) production, Anthem can deliver probiotic strains with strengths ranging from 10 to 1,000 billion. These probiotics are available in liquid and powder forms, categorized as Drug Substance (DS), Pre-formulation Ingredient (PFI), and Drug Product (DP) in various formats like Blow Filled Syringe (BFS) for liquids, Sachets for powder, and Capsules for powdered probiotics.

Their biocatalyst enzymes exhibit versatility, supplied as whole-cell, cell-free extract solution, lyophilized powder, or spray-dried powder, ensuring flexibility for different applications. Produced in a cGMP compliant manufacturing facility, Anthem's probiotics and enzymes boast high stability, meeting global demands with a multi-ton capacity.

Anthem's Probiotic & Enzymes offering's is as below:

Probiotics	Enzymes
<ul style="list-style-type: none">• <i>Bacillus clausii</i>• <i>Bacillus subtilis</i>• <i>Bacillus coagulans</i>• <i>Bacillus licheniformis</i>• <i>Bacillus clausii</i> Liquid PFI• <i>Bacillus subtilis</i> Liquid PFI• <i>Bacillus clausii</i> Liquid BFS• Probiotic blends	<ul style="list-style-type: none">• GDH• DHFR• Lipase• Keto reductase• Transaminase• Tryosin• Carboxypeptidase• Enterokinase

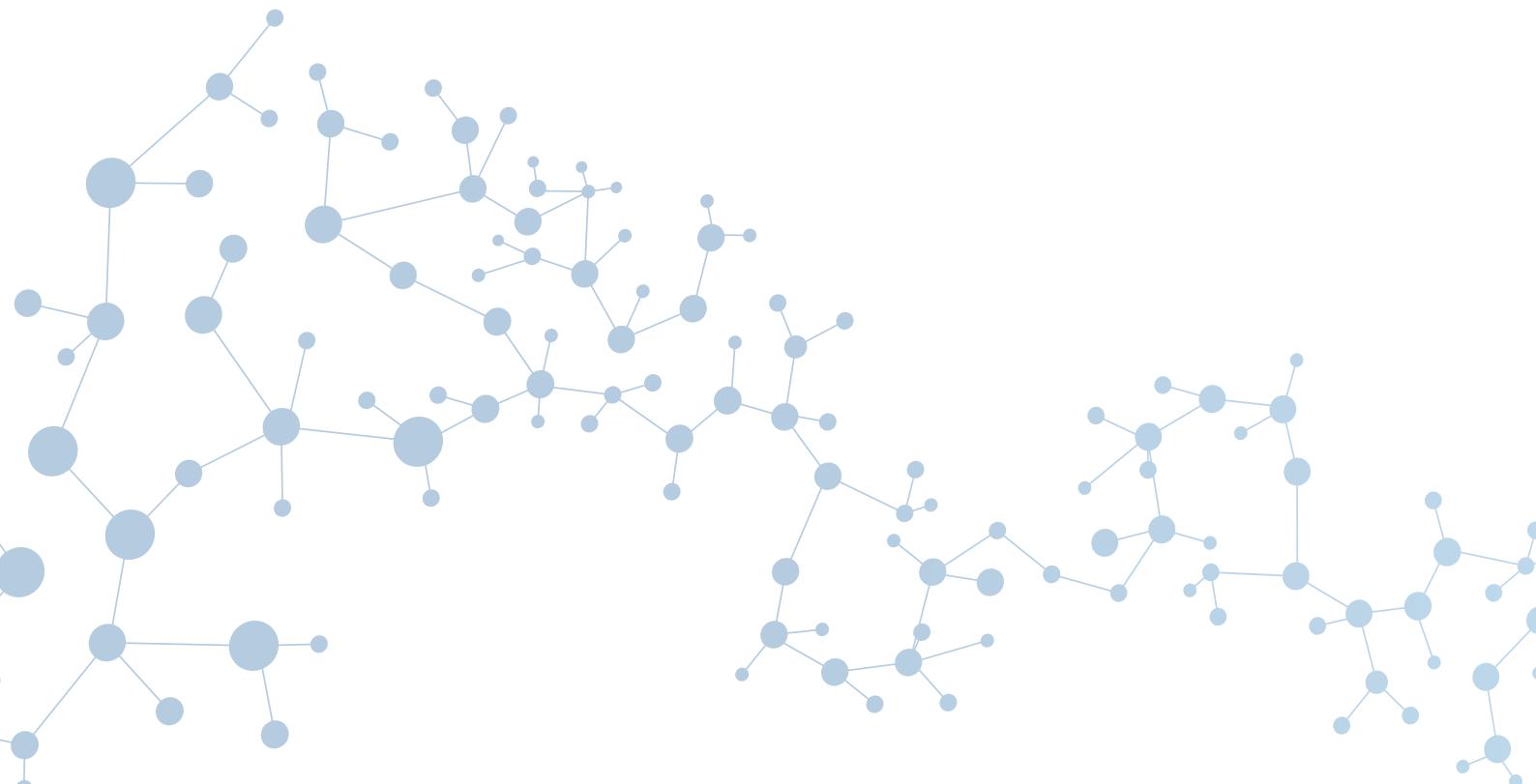


Nutritional Actives, Vitamin Analogues and APIs

Anthem Biosciences stands as a prominent player in the realm of Nutritional Actives, Vitamin Analogues, and APIs, offering an exclusive array of products along with robust technical support to both domestic and international markets. With an unwavering commitment to science and innovation, Anthem's Specialty Ingredients division caters to diverse segments, including human nutrition, dietary supplements, animal nutrition, and industrial products.

The Nutritional Actives portfolio encompasses a range of high-quality products such as Alpha GPC, Bioavailable ResArgin, Co-enzyme Q10, Colostrum, Pyrroloquinoline

quinone, Disodium [PQQ], Resveratrol, S-Equol, and Ubiquinol Acetate [EnQ10]. In the realm of APIs, Anthem offers top-notch substances like Cabergoline IP/USP, Calcium folinate IP/USP, L-Methyl Tetrahydrofolate, Calcium USP, Ormeloxifene IP, Valganciclovir USP, and Voglibose IP/JP. Additionally, the Vitamin Analogues collection includes Alpha & Delta Tocotrienol, L-Methylfolate Calcium, Pyridoxal 5 phosphate, Microencapsulated Vitamin K2 MK7, Vitamin K2 MK7 in both powder and oil forms, and Vitamin MK4 – Menatetranone. This comprehensive product line underscores Anthem Biosciences' dedication to providing high-quality solutions across various industries.



ESG Report

In FY 2022-23, Anthem Biosciences demonstrated a strong commitment to sustainability and corporate responsibility. Achieving 90%+ energy dependency on renewable sources, 14% reduction in per KWH cost, c 48% and 77% of wastewater recycled at Bommasandra & Harohalli sites respectively, quantifiable reductions in GHG emissions (Scope 1 and Scope 2), workforce diversity with 17% of managerial positions held

by women and 58% comprising postgraduate talent, are the key success for FY 2022-2023.

Environmental, Social, and Governance Snapshot FY22-23

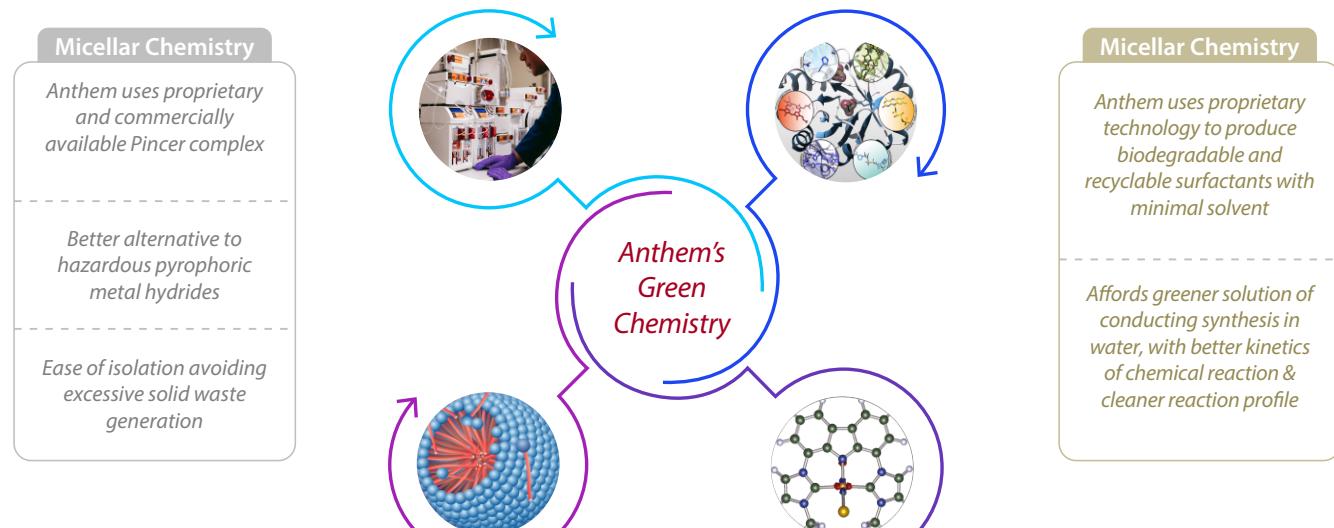
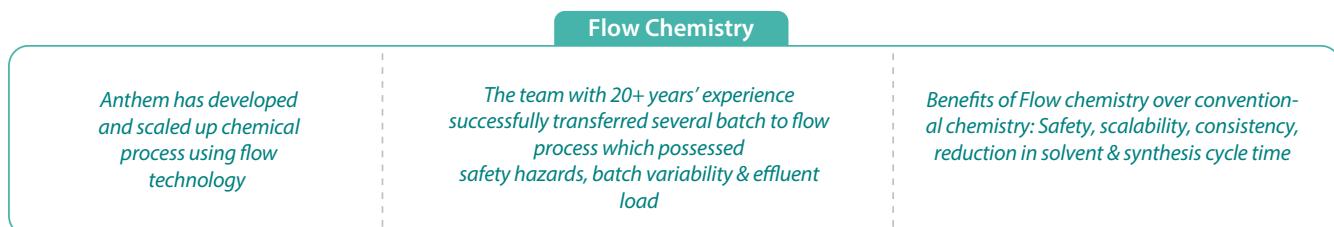


Commitment to Green Chemistry

Anthem Biosciences is unwavering in its commitment to green chemistry, implementing practices that not only reduce environmental impact but also enhance efficiency and safety. Embracing Flow Chemistry, the company has successfully developed and scaled up chemical processes using flow technology, mitigating safety hazards, batch variability, and effluent load. This innovative approach offers significant advantages over conventional chemistry, including improved safety, scalability, consistency, and a reduction in both solvent use and synthesis cycle time. In Micellar Chemistry, Anthem employs proprietary technology to produce biodegradable and recyclable surfactants with minimal solvent, promoting greener synthesis in water with enhanced kinetics and a cleaner reaction profile. Additionally,

the incorporation of Biocatalysis utilizes enzymes from living sources, accelerating chemical reactions to yield chirally pure compounds while minimizing environmental impact. Anthem also embraces Pincer Catalysis, utilizing proprietary and commercially available Pincer complexes as a safer alternative to hazardous pyrophoric metal hydrides, enabling ease of isolation and reducing excessive solid waste generation. Notably, six commercialized products at Anthem have been developed through Bio-catalysis, Bio-transformation, and Flow-Catalysis, underscoring the company's dedication to sustainable and eco-friendly practices in the field of biosciences.

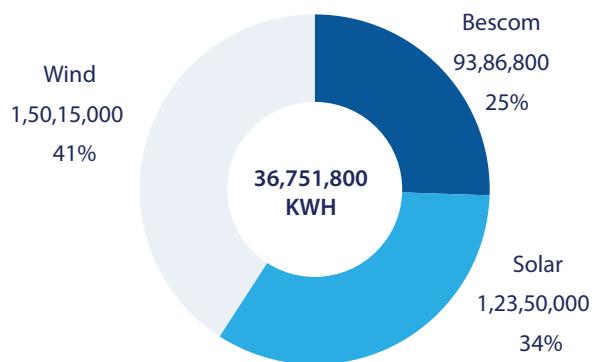
Anthem uses Green Chemistry having lesser Carbon Footprint, Faster Turnaround, with Safer and Economically Feasible Process



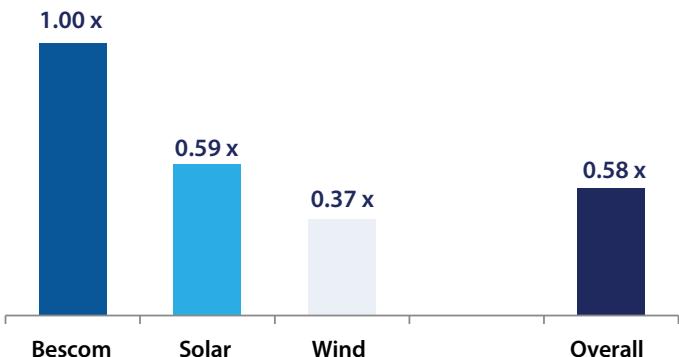
Energy Conservation

90%+ Energy Sourced from Renewable Sources in FY23 as compared to 75% in FY22

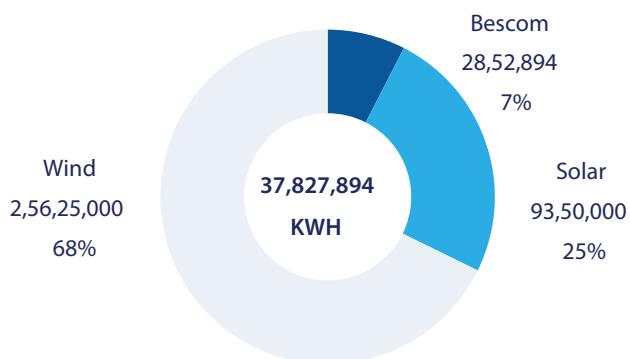
Units Consumed (FY22)



Unit Rate for Bescom vs Renewables



Units Consumed (FY23)



93%

Contribution of Renewable Energy (Wind + Solar) [Previous Year (FY22): 75%]

3% ↑

Average monthly unit consumed of 3,152,324 KWH [Previous Year (FY22): 3,062,650 KWH]

14% ↓

Reduction in per KWH Cost vis-à-vis FY22 Average

Water and Waste Water

Water Withdrawal for FY 22-23

Sources of Water

- Ground Water
- Surface Water
- Drinking Water Supply
- KIADB
- Third Party/Tanker
- Rainwater

Water Usage

- Cooling** → Once-through cooling water/circulation cooling water
Loss due to evaporation
- Reuse** → 
Process waste water without subsequent treatment
Process waste water with subsequent treatment
Irrigation supplies
- Production** → Process waste water without subsequent treatment
Process waste water with subsequent treatment
Irrigation supplies

Water Discharged

- Surface water / freshwater
- Groundwater
- External wastewater treatment plant
- Others (Gardening)

Water and Waste Water

Water Discharge and Water Conservation Approach

Bommashandra in KL (FY23)



Water Withdrawal
(Apr 2022 – Mar 2023)

19,280.4 KL



Waste Water Treated
(Domestic + Process)

5,398.5 KL



Waste Water Recycled
(Feb + Mar 2023 only)

2,745.0 KL



%age of Water Recycled
(Domestic + Process) on
water withdrawal

48.5%

Harohalli in KL (FY23)



Withdrawal from KIADB
and Harvested Rainwater

76,759.77 KL



Waste Water generated
(Domestic + Process),
treated and recycled

59,209.73 KL



Water Withdrawn is
treated and recycled for
utilities and garden use

77.13%

Withdrawal from KIADB, Harvested Rainwater and Tankers

w.e.f. Mar 2023 only, waste water is treated and recycled.
Apr 2022 to Jan 2023, the effluent was being disposed to
CETP/CSTP

In-house treatment commenced from Feb 2023. However,
the flowmeter to quantify the wastewater recycled was
installed by end Feb 2023

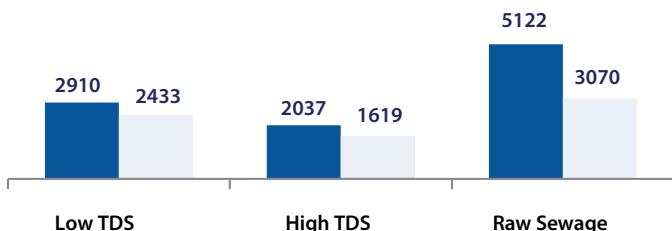


Treatment of Waste Disposal

Effluent Treatment and Waste Disposal

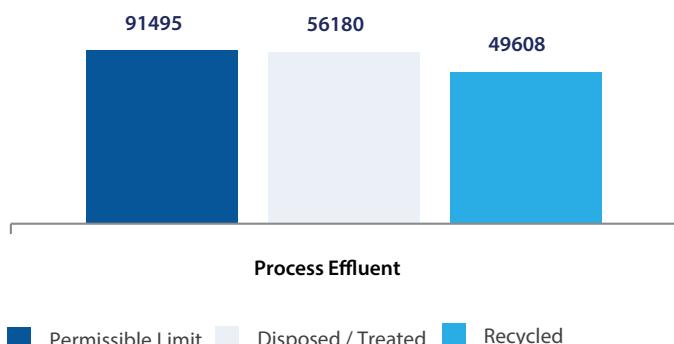
Bommassandra in KL (FY23)

Effluent was been disposed to CETP/CSTP during the period April 2022 to January mid 2023.



Harohalli in KL (FY23)

88.3 % of the Process Effluent generated is recycled



From mid Jan 2023-March 2023, effluent and domestic waste water was treated in the in-house ZLD and STP facility. Below are the details.



At Bommassandra, ZLD facility has been up and in operation from mid January – 2023. Consent for Operation (CFO-Amendment) was received on 17th January, 2023

Effluent Treatment and Waste Disposal

Effluent Treatment Initiatives @ Bommassandra

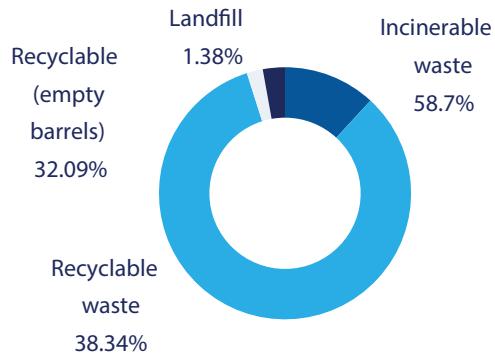
- Trials were taken in the volute filter (dewatering system for sludge management system) in order to narrow down the right type of polyelectrolyte for sludge conditioning. Based on trials, anionic poly B-39 (higher molecular weight) has been procured and implemented.
- Chemical dosing for the low TDS has been rationalised as follows
 - » Lime concentration reduced from 700 ppm to 500 ppm
 - » PAC concentration reduced from 300 ppm (5% solution) to 100 ppm (10% solution)
 - » Polyelectrolyte reduced from 5 ppm to 2.5 ppm

Treatment of Waste Disposal

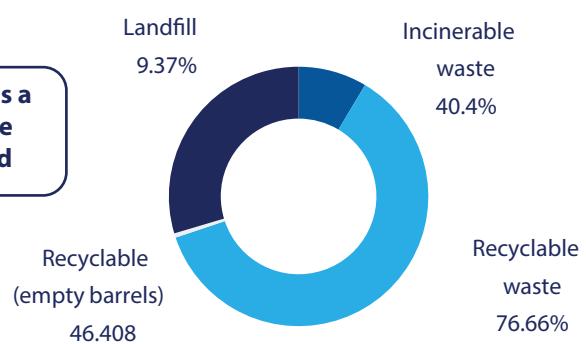
Waste Management (Hazardous & Non-Hazardous)

Waste Disposal	Bommasandra			Harohalli		
	Disposed	KSPCB Limit (MT/ Annum)	as a %age of Allowed Limit	Disposed	KSPCB Limit (MT/Annum)	as a %age of Allowed Limit
Hazardous Waste						
Incinerable waste	142.4	242.5	58.7%	182.1	450.8	40.4%
Recyclable waste	1,000.0	2,608.0	38.3%	1,306.3	1,704.0	76.7%
Recyclable (Empty barrels)	24.7	77.0	32.1%	11.6	25.0	46.4%
Landfill (ETP Sludge)	34.0	2,450.0	1.4%	630.9	6,730.0	9.4%
Other Waste (paper/paper product waste/Rubber/Metal waste waste/Glass waste/wood waste)	34.1	63.9	53.3%	49.2	224.0	22.0%
Non-Hazardous Waste						
Cell Mass				1,461.2	5,110.0	28.6%

Bommasandra



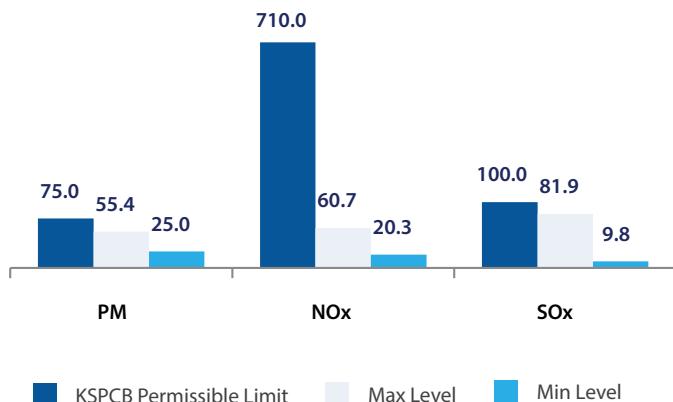
Harohalli



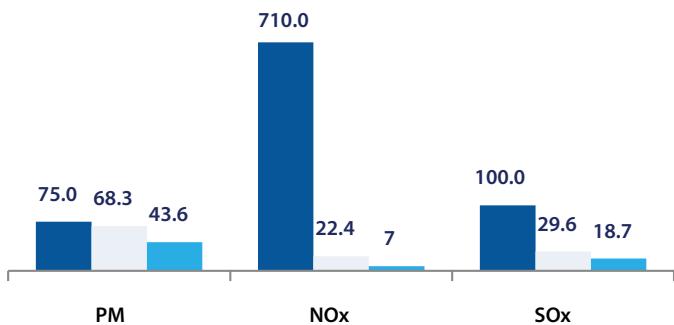
Hazardous Waste as a percentage on the quantity disposed

Air Emissions

Bommasandra in mg/Nm³ (FY23)

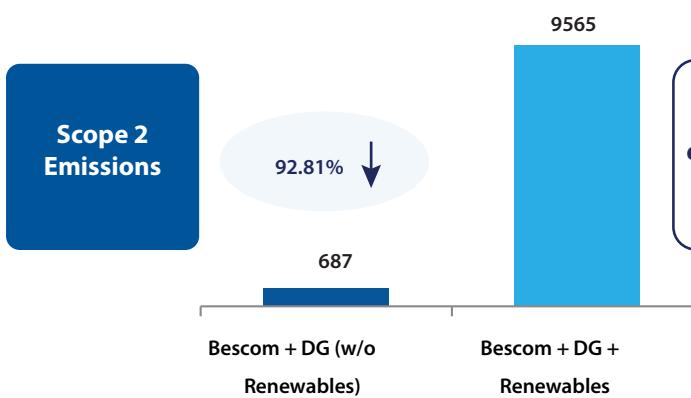


Harohalli in mg/Nm³ (FY23)

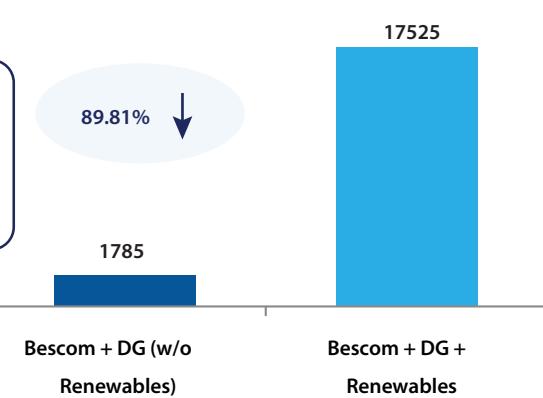


Green House Gas Emissions

Bommasandra



Harohalli



Scope 1 Emissions

100% ↓

Reduction in Scope 1 CO₂ emissions due to use of cleaner fuel

HSD (w/o PNG)

526

0.93% ↓

6401

PNG

6342

Furnace Oil (w/o Biogas)

Furnace Oil + Biogas

The percentage reduction in CO₂ emissions is due to the use of renewable energy / use of cleaner fuel



Nurturing Communities, Empowering Employees, and Marching towards a Sustainable Future

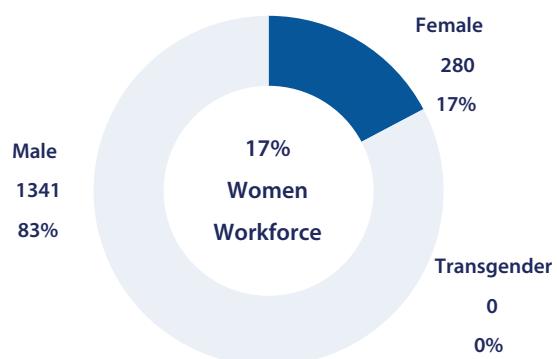
Community engagement is integral to Anthem's ethos, showcased through active CSR initiatives, such as contributing to local organizations and the redevelopment of Bommasandra lake. Employee well-being takes center stage with comprehensive health initiatives, social engagement events, and mental and physical well-being programs. From cricket tournaments to the NEB Marathon and Pharma Professional League, our commitment to physical fitness is unwavering. Recognition and incentives underscore our appreciation for our workforce, with

performance appraisals completed and the introduction of Variable Pay Incentive & Loyal Reward Incentive Schemes for the upcoming year. Anthem's governance is fortified by a robust Code of Business Conduct and Ethics, ensuring an environment where business integrity and fair competition are paramount. This snapshot encapsulates our journey towards a sustainable and responsible future, where Anthem Biosciences stands as a conscientious corporate leader, shaping positive impacts for the environment, society, and our stakeholders.

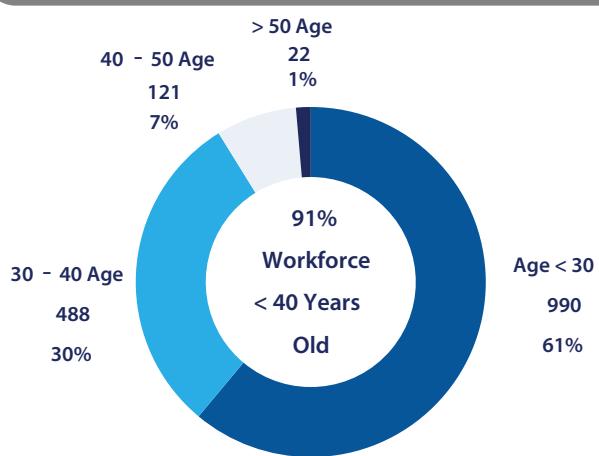
Workforce Diversity and Culture

Workforce Diversity by Gender, Age and Qualification

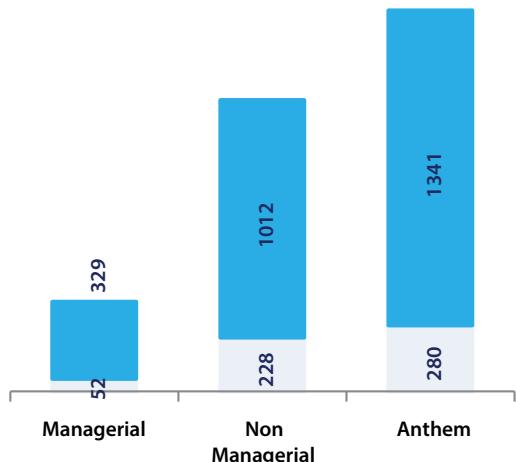
Diversity by Gender (FY 22-23)



Diversity by Age (FY 22-23)

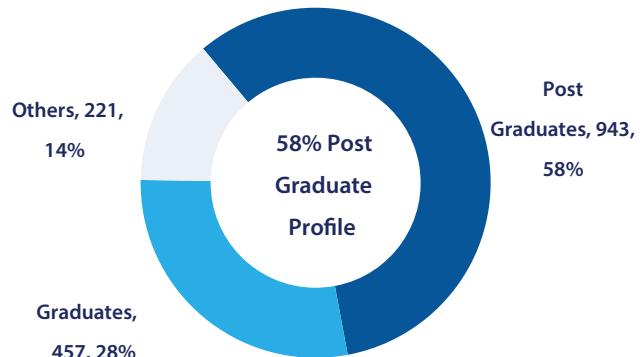


Women in all Managerial Positions



*Managerial Role (Deputy Manager and above)

Diversity by Talent (FY 22-23)



Employee Wellbeing, Engagement and Culture

Health & Vaccination

- Annual Medical Examination for both units, Bommasandra and Harohalli conducted in Apr '22
- Booster Vaccination: Bommasandra Unit (827 Employees) and Harohalli Unit (450 Employees)
- Increase in mediclaim coverage (Grade & Service Based)

Social Wellbeing

- Blood Camp conducted in October 2022: Harohalli Unit – 187 Volunteers, Bommasandra Unit – 250 Volunteers
- Anthem Day Celebrated in end May 2022. Other Celebrations includes: *Ethnic Day (Oct '22), Kannada Rajyotsava (Nov '22), Christmas (Dec '22), Republic Day (Jan '23), Women's Day (Mar '23)*

Mental Wellbeing

- Wellness Program for Women Employee's conducted, viz:
 - *Lights, Camera, Gender Rolls (Mar '23) and Art Therapy (Mar '23)*
- External Training for mental wellbeing, in the process of finalization, to be commenced from Sept 2023

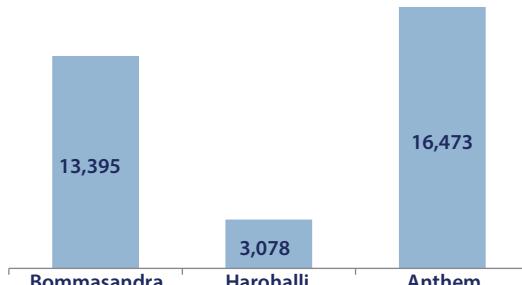
Physical Wellbeing

- Cricket tournament: Bommasandra Unit (June '22), Harohalli Unit (July '22 and Nov '22)
- NEB Marathon (NICE Road): May '22 and TCS 10K Run (May '22)
- Pharma Professional League (Jan '23 – Feb '23)

Recognition

- Variable Pay Incentive & Loyal Reward Incentive Schemes introduced for the year FY 22-23

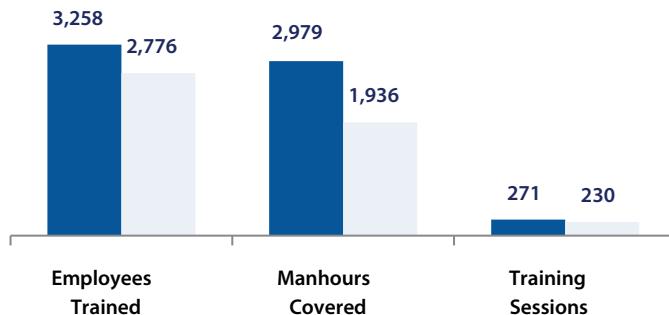
Employee Training



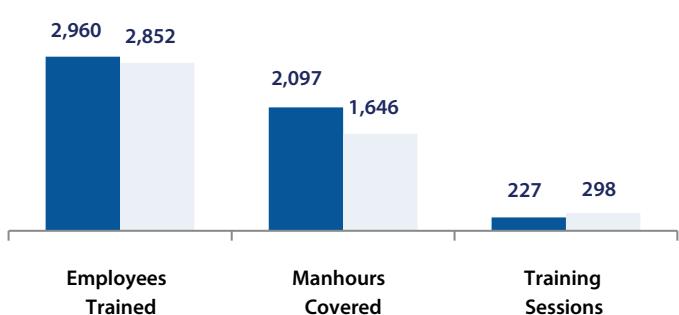
Training Mandays
10.2

Occupational Health & Safety Training

Bommasandra (FY 22-23 vs FY 21-22)



Harohalli (FY 22-23 vs FY 21-22)

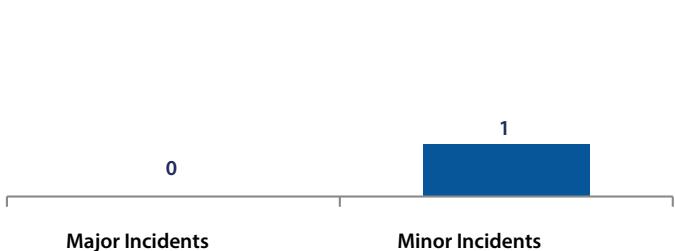
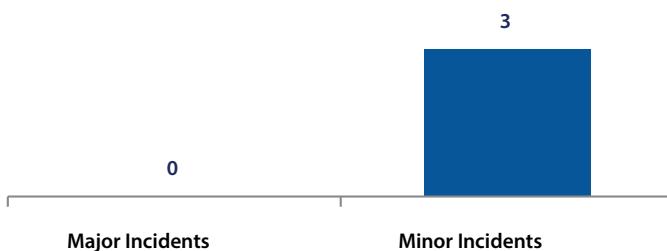


Internal Training Topics Covered Are:

- On-site Emergency Plan, SCBA, CAFS, Operation of fire extinguishers, Fire proximity suit, Personnel Protective Equipment's, Good Practices in Lab, Operation of Fire Extinguishers, Static Electricity, Work Permit System, Confined Space, First Aid, Chemical Safety, Gas Cylinder Safety, Process Safety

External Training Conducted For:

- Training on Industrial Hygiene, QLEA, Firefighting & IMS, First Aid
- Training on usage of Personnel Protective Equipment
- Training on usage of Lock Out and Tag Out System
- Training on Electrical Safety, Prevention of Occupational Diseases and Emergency Preparedness



Proactively focussed on identifying and minimising any form of occupational hazards to employees and contractors

Community Contributions: FY 22-23

Community Contribution has been an integral part of Anthem. Following are CSR projects:



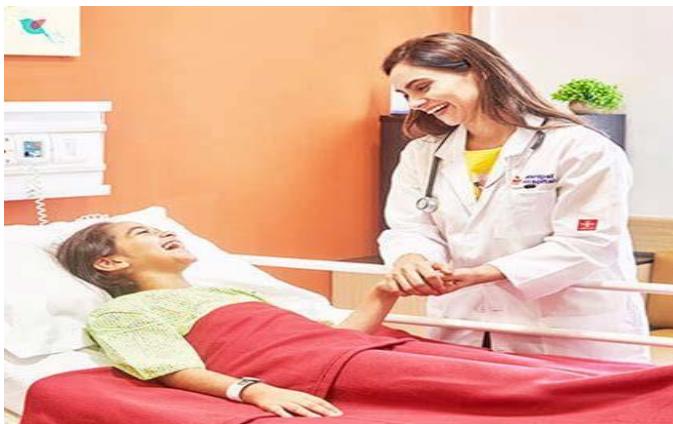
Development of tribal community at Vanavasi Kalyana Ashram



Contribution towards Bangalore Super Strikers Football Club



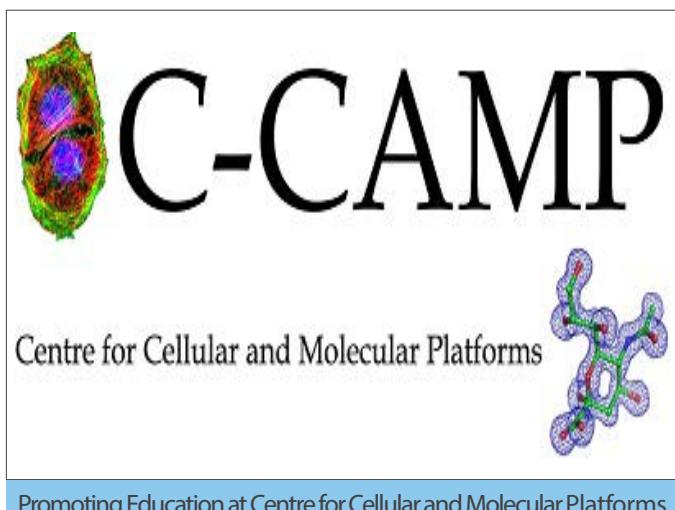
AIM for Seva Sponsorship



Manipal Hospital Children's Airway & Swallowing Centre



Bommasandra Lake Development



Community Contributions: FY 22-23



Construction of Government School at Bannikuppe, Karnataka



Contributions towards Jayanti Gardens (Nursery)



Contribution of Baby Chairs and Tables to Government Schools



Contribution towards Chemical Research Society of India
(JNU-Delhi)



Contribution towards Heritage Art and Culture at Sri Sringeri Sharada Peetham Charitable Trust



Construction of Government School at Jakkasandra,
Kanakapura

Community Contributions: FY 22-23



Contribution towards Academy of Family Physicians of India



Development of Tribal Community at Vanavasi Kalyana Ashram



Contribution towards Art & Photography Foundation



Contribution towards Vasavi Annadana Seva Trust



Contribution towards Infrastructure Development of the Science Centre, Janaseva Trust (Param)



Corporate Governance

Anthem Biosciences is governed by Board of Directors comprising three directors and one nominee director. The foundation of our corporate governance lies in the Code of Business Conduct and Ethics (COBE), which sets the standards for acceptable behaviour and actions applicable to all directors and employees. Emphasizing business integrity and fair competition, COBE is paramount in establishing an ethical environment. To further reinforce our commitment to responsible business practices, several committees are in force, including the Corporate Social Responsibility Committee, Environment, Social, Governance and Climate Change Committee, and the Prevention of Sexual Harassment (POSH) Committee. The scope of these

committees extends to various aspects, such as ethical management of the supply chain, prevention of sexual harassment, anti-slavery measures, equal opportunities, anti-corruption, health and safety, animal care and welfare, and an overarching commitment to the environment. Our Human Resources policies align with our ethical framework, covering aspects like relocation, education assistance, internal job postings, leave, whistleblower protection, conflict of interest, long service recognition, and anti-money laundering measures. These policies reflect our dedication to fostering a workplace environment that prioritizes integrity, fairness, and employee well-being.

HR Policies

HR Policies being implemented

Following are the HR Policies that have been approved and effective from 1st June 2023.

Relocation Policy

Whistle Blower Policy

Education Assistance Policy

Conflict of Interest Policy

Internal Job Posting Policy

Long Service Policy

Leave Policy

Anti Money Laundering Policy

Governance Structure

Board of Directors

3 Directors

1 Nominee Director

Committees in Force

- Corporate Social Responsibility Committee
- Environment, Social, Governance and Climate Change Committee
- Prevention of Sexual Harassment (POSH) Committee

Code of Business Conduct and Ethics (COBE)

Our Code of Business Conduct and Ethics establishes an environment for acceptable behaviour and actions applicable to all the Directors and employees. The primary focus of COBE is to establish an environment wherein business integrity and fair competition are held with highest regards.

Sexual Harassment, Misconduct or Inappropriate Behaviour

Ethical Management of Supply Chain

Anti Slavery, Anti Human Trafficking and Child Labour

Equal Opportunities

Anti Corruption

Health & Safety

Animal Care and Welfare

Commitment to Environment

Board of Directors

Founding Team



Mr. Ajay Bharadwaj
CEO & Founder
Industry Experience: 37 Years

Ajay Bharadwaj, CEO, Founder, Chairman, and Managing Director, holds a B.Tech. in Chemical Engineering from IIT Delhi (1982) and earned his Master's from Louisiana State University in 1984. Commencing his career at Max India, he later played a pivotal role in the early stages of Biocon's growth, contributing significantly to the company's success alongside Kiran Mazumdar Shaw. Serving as the President of Marketing at Biocon, he was a driving force behind the company's rapid expansion, leading initiatives in brand development and pioneering ventures into new domains such as life sciences, contract research, and clinical research.



Mr. K.C. Ravindra
COO & Co-Founder
Industry Experience: 32 Years

K.C. Ravindra, COO, Co-Founder, and Director, holds a B.Tech. in Chemical Engineering from Bangalore University (1990). Commencing his career in industrial production in 1990, he held key positions at Cipla, Recon Limited (now Hikal), and Biocon. Notably, as General Manager, Operations at Biocon, he played a pivotal role in establishing scalable processes and building world-class manufacturing facilities that met global standards, successfully navigating USFDA and European regulatory approvals. With extensive exposure to international inspections from regulatory bodies like USFDA and customer audits, Mr. K.C. Ravindra brings a wealth of experience to his role.



Dr. Ganesh Sambasivam
CSO & Co-Founder
Industry Experience: 29 Years

Dr. Ganesh Sambasivam, CSO, Co-Founder, and Director, earned his Ph.D. from the National Chemical Laboratory, Pune, India, in 1993. His academic journey includes undergraduate studies in Chemistry at Madras University, postgraduate studies with a Fellowship at the National Chemical Laboratory, and a Master's program in Organic Chemistry from the University of Pune. With over a decade of experience at Syngene International Private Limited, where he served as Chief Scientific Officer before co-founding Anthem, Dr. Sambasivam specializes in process R&D related to combinatorial chemistry building blocks, reagents, generic drugs, and novel flavor chemicals for food industry applications.

Private Equity Nominee Director



Satish Chander
Nominee Director

Satish Chander, Nominee Director representing the PE investor, holds a Mechanical Engineering degree from IIT Chennai and a Post Graduate Diploma in Management from IIM, Kolkata. He was part of JP Morgan's equity research team covering Indian companies in the oil & gas sector. Before that, he was a management consultant at Accenture, India and worked across pharma, FMCG, auto ancillary sectors, handling projects in strategy, post-merger integration, supply chain restructuring and procurement optimisation. He was part of the business management team and has worked with companies across healthcare, media, retail, and industrial sectors. He now leads investments in the healthcare and life sciences sector.

Board of Director's Report

BOARD OF DIRECTOR'S REPORT

Dear Shareholders,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Anthem"), along with the audited financial statements, for the financial year ended March 31, 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Financial Highlights

(Rs. In Lacs)

Particulars	Standalone Financial Highlights		Consolidated Financial Highlights	
Financial Year	As on 31st March, 2023	As on 31st March, 2022	As on 31st March, 2023	As on 31st March, 2022
Revenue	105,692.43	123,125.60	105,692.43	123,125.60
Other income	7,737.17	4,898.05	7,706.84	4,898.05
Total Income	113,429.60	128,023.66	113,399.27	128,023.66
Expenses:				
Operating Expenditure	63,461.97	67,588.79	63,480.15	67,633.93
Depreciation & Amortization Expenses	6,369.60	5,775.64	6,369.60	5,775.64
Total Expenses:	69,831.57	73,364.43	69,849.75	73,409.57
Profit before Tax (PBT)	43,598.03	54,659.23	43,549.52	54,614.09
Add: Exceptional & Extra Ordinary items	6,180.25	-	6,180.25	-
Less: Tax Expenses	11,211.16	14,060.20	11,211.26	14,060.14
Profit after Tax (PAT)	38,567.12	40,599.02	38,518.51	40,553.95
Opening balance of Retained Earnings	97,465.38	60,793.08	97,423.67	60,791.93
Profits for the year	38,567.11	40,599.02	38,518.51	40,553.95
Adjustment during the year	(10,078.75)	133.30	(10,078.75)	133.30
Less: Dividend (inclusive of dividend tax)	-	0.12	-	0.12
Less: Trf to General Reserve	3,856.71	4,059.90	3,851.85	4,055.39
Closing balance of Retained Earnings	122,097.04	97,465.38	122,011.58	97,423.67

2. Performance Overview

The Standalone and Consolidated Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

On a standalone level, the Company witnessed:

- Decrease in the revenue by 14.2% as compared to previous year.
- PBT decreased to Rs. 43,598.03 lacs, as compared to Rs. 54,659.23 lacs in FY2022
- PAT for FY2023 & FY2022 was Rs. 38,567.12 lacs & Rs. 40,599.02 lacs respectively.
- Cash balances and liquid investments improved to Rs. 84,055.98.95 lacs as on March 31, 2023, as compared to Rs. 61,124.92 lacs as on March 31, 2022.

On a consolidated level, the Company witnessed:

- PBT decreased to Rs. 43,549.52 lacs, as compared to Rs. 54,614.09 lacs in FY2022
- PAT for FY2023 & FY2022 was Rs. 38,518.51 lacs & Rs. 40,553.95 lacs respectively.

During the financial year 2023, the company witnessed a revenue de-growth of 14.2% majorly on account of delay in USFDA inspection of Unit 2 at Harohalli on account of Covid-19, causing some customers to defer their orders in addition to subdued demand from some of its customers. The company's operating margins remained healthy despite declining by 590 bps to 40.7% during 2023 from 46.6% of previous financial year.

3. Dividend

No dividend shall be declared for the Financial Year ended 31st March 2023, consequent to conversion of 0.05% Compulsorily Convertible Preference Share to equity shares during the Financial Year ended 31st March 2023.

4. Transfer to Reserves

The Board of Directors propose to transfer Rs. 3,856.71 lacs to the General Reserves and the balance of Rs. 122,097.04 lacs will be retained in the Profit and Loss account.

5. Subsidiaries

The Company has one Wholly Owned Subsidiary as on 31.03.2023.

NEOANTHEM LIFESCIENCES PRIVATE LIMITED is a wholly owned subsidiary of Anthem Biosciences Private Limited and was incorporated on the 22nd July 2020 with its registered office at 49, F1&F2, Canara Bank Road, Bommasandra Industrial Area-Phase I-560099, was established with the objective to discover, develop, manufacture and commercialize biopharmaceutical products that address significant unmet needs and provide biological solutions to improve industrial performance in all areas.

As per Sec. 129(3) of the Companies Act, 2013, where a company has one or more subsidiaries, it shall, in addition to its financial statement, prepare a consolidated financial statement of the Company and all subsidiaries in the same form and manner as that of its own and also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiaries.

There is no Company which have become or ceased to be the subsidiary, joint venture or associate company of Anthem during the year 2022-2023. In accordance with the above, the consolidated financial statement of the Company and its subsidiary's is prepared in accordance with Accounting Standards 21 and 27 as specified in the Companies (Accounts) Rules, 2014, form part of the annual report. Further, a statement containing the salient features of the financial statement of our subsidiary in prescribed format AOC-1 is attached as "Annexure 1" to the Board Report.

6. Directors:

Dr. Ganesh Sambasivam (DIN: 01469963), shall retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

7. Number of Board Meetings

The Board of Directors met four (4) times during the financial year ending March 31st, 2023. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The Board passed resolution by Circulation one time during the year.

Board Meeting Date	Ajay Bhardwaj	Ganesh Sambasivam	Ravindra KC	Satish Chander Subbanna
30.05.2022	✓	✓	✓	✓
06.09.2022	✓	✓	✓	✓
20.12.2022	✓	✓	✓	✓
14.03.2023	✓	✓	✓	✓

Committees of the Board Currently, the Company has two (2) Board level Committees: Corporate Social Responsibility Committee and Environment, Social and Governance & Climate Change Committee.

8. Director's Responsibility Statement

In compliance with the section 134 (5) of the Companies Act, 2013, the board of directors hereby confirms the following:

- In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;
- We have selected such accounting policies and applied them consistently. We have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and of the profit of the company at the end of the financial year;
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- We have prepared the annual accounts on a going concern basis; and
- We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. Material Changes and Commitments occurred between the date of Balance Sheet and the date of Audit Report

No material changes and commitments affecting the financial position of the Company have occurred between March 31, 2023, and the date of this report.

10. Change in Nature of Business

The Company continues to be a pioneer biopharmaceutical company engaged in manufacturing active pharmaceutical ingredients and formulations, with sales in markets across the globe.

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

11. Deposits

The Company has not accepted any deposit, including from the public, and as such no amount of principal and interest were outstanding as at March 31, 2023.

12. Particulars of Loans, Guarantees or Investment

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of the notes to the Financial Statements provided in this Annual Report.

13. Policy on Directors' Appointment and Remuneration

The Company has no policy on Directors' Appointment and Remuneration as per the provision of Companies Act, 2013.

14. Risk Management Policy / Framework

The Company has no risk management policy and no formal committee is constituted for this purpose. The Company however lays emphasis on risk management and has an enterprise-wide approach to risk management, which emphasizes on identifying and managing key operational and strategic risks with a dynamic business continuity plan. The Company strives to identify opportunities that enhance organisational values while managing or mitigating risks

15. Related Party Transactions

In accordance with Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contract or arrangement entered into by the Company with related parties referred to in Section 188(1) in form AOC-2 is attached as "Annexure-2" to this report.

16. Vigil Mechanism

The Vigil Mechanism is envisaged pursuant to Section 177(9) of the Companies Act, 2013, through the Company's Whistle Blower Policy. The Whistle Blower Policy intends that the employees of the Company observe high standards of business, professional and personal ethics to conduct the affairs of the Company in a fair and transparent manner by practicing the highest standards of honesty, integrity while complying with all applicable laws and regulations.

The Whistle Blower policy of the Company is available on the website of the Company at <https://www.anthembio.com/Whistle%20Blower%20Policy.html>

17. Auditors:

• Statutory Auditors

- M/s. K. P. Rao & Co., Chartered Accountants, (Firm Registration no. 003135S) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 13th Annual General Meeting held on September 30, 2019 until the conclusion of the 18th Annual General Meeting of the Company to be held in the calendar year 2024.

• Board's response on Auditors Qualification, Reservation or Adverse Remark or Disclaimer made

- There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.
- There are no frauds reported by auditors under Section 143(12).

• Cost Auditors

The Cost Records of the Company are maintained in accordance with the provisions of Section 148(1) of the Companies Act, 2013. In the current year, the foreign exchange revenue of the Company for the preceding Financial Year i.e.2022-23 exceeds seventy five per cent (75%) of its total revenues and thereby the Company is exempted from conducting cost audit for the Financial Year 2023-24 pursuant to Rule 4 clause 3(i) of the Companies (Cost Records and Audit) Rules, 2014.

• Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereunder, M/s V. Sreedharan & Associates, Practicing Company Secretaries were appointed to conduct the secretarial audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year 2022-23 does not contain any qualification, reservation or adverse remark or disclaimer and is appended herewith as "Annexure 3" to the Boards' report.

18. Annual Return

The Annual Return of the Company as per the provisions of Section 134(3)(a) and 92(3) of the Companies Act, 2013, will be available on the website of the Company at <https://www.anthembio.com/Corporate%20Compliance.html>

19. Significant and Material Order

There are no significant and material orders passed during the year by the regulators, courts or tribunals impacting the going concern status and Company's operations in the future.

20. Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established the Corporate Social Responsibility Committee (CSR Committee). The Board, on the recommendation of the CSR Committee, adopted a CSR Policy. The same is available on the Company's website at <https://anthembio.com/Corporate%20Social%20Responsibility.html>

The annual report on our CSR activities is appended as "Annexure-4" to the Board's Report.

21. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013

The Company has a policy and framework for employees to report sexual harassment cases at the workplace and the said process ensures complete anonymity and confidentiality of information. Anthem has constituted an Internal Complaints Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The policy provides for creating a healthy and safe work environment that enables employees to work free from any unwelcome, offensive and discriminatory behavior. During the year, the Company has not received any complaint. The Company has been conducting regular awareness programmes aimed at prevention of sexual harassment.

22. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Out Flow

The information required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to these matters is given below:

a. Conservation of Energy

The steps taken or impact on conservation of energy:

• Increase in dependency on renewable source of energy (Wind and Solar energy)

- Anthem has increased the dependency on renewable energy by utilizing wind energy and solar energy as well, through third-party and were able to achieve the dependency on renewable energy for 93% (Wind + Solar energy) vis-à-vis previous financial year of 75% (Wind + Solar energy).
- This has resulted in significant reduction in the greenhouse gas emission
- The wind and solar energy procurement is through a group captive power purchase arrangement

• Air Emission Reduction Initiatives

- Use of HEPA filters to control indoor air quality in powder handling areas
- Efficient gas scrubbing systems
- Use of vent condensers
- Cold Traps introduced at the vent of the vacuum pumps

• Reduction in Green House Gas Emissions

- Due to usage of renewable energy / use of cleaner fuel there has been reduction in CO2 emissions

• Effluent Treatment Initiatives

- Anthem has taken trials in the volute filter (dewatering system for sludge management system) in order to narrow down the right type of polyelectrolyte for sludge conditioning. Based on trials, anionic poly B-39 (higher molecular weight) has been procured and implemented.
- Chemical dosing for the low TDS has been rationalised as follows
 - » Lime concentration reduced from 700 ppm to 500 ppm
 - » PAC concentration reduced from 300 ppm (5% solution) to 100 ppm (10% solution)
 - » Polyelectrolyte reduced from 5 ppm to 2.5 ppm

• Other Initiatives

- Biogas generated from ETP anaerobic process and biological process is used as fuel in the boiler
- Steam produced from the boiler is utilized for operation of Stripper and Sludge drier.

- About 30,240 m³ of biogas has been fed to boiler to produce steam from August 2022 onwards
- Sprinkler and hydrant system has been installed in Unit-1 & Unit-II
- Part Load Efficiency (IPLV) for Chillers was achieved.
- Description: To achieve better performance, the cooling tower inlet temperature to the chiller was reduced. The performance improved from 0.7 kW/TR to 0.6 kW/TR
- Improvement in COP (Coefficient of Performance) was observed by installing Centrifugal Chillers in place of screw chillers
- Centrifugal Chiller and brine chiller with Variable Frequency Drive(VFD) were installed which improved the total energy consumption
- Boiler with economizer were installed for FO(Furnace Oil) and PNG (Piped Natural Gas)
- 1100 kW Heat pump was installed in place of Plate Heat Exchanger(PHE) for AHU Heating Coil
- Motor rating of IE3 which are of premium efficiency have been installed. This has led to 1% to 2% Improvement in Efficiency
- Energy efficient pumps for better pump efficiency have been installed
- Graphite condensers have been replaced with Hastelloy condensers for better heat transfer rate

b. **Technology absorption:** The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products.

c. **Foreign Exchange Earnings and Outgo**

- Foreign Exchange earnings : Rs. 84,345.60 lacs
- Foreign Exchange outgo : Rs. 18,299.30 lacs

23. Expenditure on Research & Developments:

Company has its own in house R&D centre, with best in class infrastructure facility equipped with modern plant and machinery and scientific labs to carry out the scientific research and development related activities in the field of custom synthesis and biological / biosimilar activities. Innovation and research are critical to ensuring better health and creating financial value. In Financial Year 2021-22, our total R&D spend was 2.07% of turnover. Expenditure incurred for R&D during FY2023 & FY 2022 are given below:

Sl.No	Particulars (Rs. in lacs)	FY 2023	FY 2022
a.	Capital expenditure	570.05	75.51
b.	Other recurring expenditure	2,586.13	2,478.80
(a+b)		3,156.18	2,554.31

24. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review

25. Details of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loan from the banks or financial institutions along with reasons thereof

There is no difference between the amount of valuation done at the time of one-time settlement and valuation done while taking loan from the banks or financial institutions.

26. Environment & Climate Change, Social and Governance (ESG)

The Company's commitment towards environment & climate change, social and governance (ESG) is a result of an increasingly volatile world where economic realities transform overnight. There is a growing conviction that a robust ESG fabric enhances stability, increases counter cyclical and establishes the basis for long-term stakeholder value. The Company believes that this commitment is critical considering that the products manufactured consumes land, water, natural resources, fossil fuels and electricity, any moderation in which can have upsides for the local terrain, habitat and ecology.

Anthem defines sustainability as its efforts to reduce energy consumption, water usage, waste disposal and promotion of strategies that progress towards combating climate change and transitioning to a low carbon economy. The Company believes that, adopting financially responsible steps towards improving environmental sustainable operational practices represents good and responsible corporate citizenship and serves in the best interests of its clients.

The Board has adopted an Environmental, Social and Governance Policy. The same along with the annual ESG report for the year is available on Company's website at <https://www.anthembio.com/ESG%20Policy%20Anthem.html>

27. Management's Discussion and Analysis

The Company has, on a voluntary basis furnished the requirements on the Management Discussion and Analysis Report for the year 2023 and this forms a part of Annual Report.

28. Significant Events During Financial Year 2022-23

a. Conversion of 0.05% Compulsorily Convertible Preference Shares (CCPS) to Equity Shares and allotment of Equity Shares upon Conversion of CCPS.

The Board of Directors in its meeting held on 6th September, 2022 accorded for conversion of 23,316 number of 0.05% Compulsorily Convertible Preference Shares (CCPS) of Rs. 1000/- each into Equity Shares of Rs. 10/- each at the ratio of 50:1 equivalent to 466 Equity Shares, ranking paripassu with the existing Equity Shares of the Company.

b. Sub division of the Face Value of Equity Shares of Rs. 10/- into Rs. 2/- per Equity Share.

In order to improve the liquidity of Company's shares and to make the shares affordable to small investors, the Board of Directors at its meeting held on 6th September, 2022 had proposed to sub-divide the face value of Authorized/ Subscribed, Issued and Paid-up of the Company from one equity share of Rs.10/- (Rupees Ten only) each to five equity shares of Rs. 2/- (Rupees Two only) each. The shareholders in their Annual General Meeting held on 28th September 2022 have approved the Sub-division of face value of Equity shares to Rs.2/- each and amended the relevant clause of the Memorandum of Association of the Company.

c. Issue Bonus Shares to the existing shareholders of the Company.

The Board of Directors in its meeting held on 6th September, 2022 also recommended issue of bonus shares in proportion of 12(Twelve) share for every 1 (One) equity shares. The shareholders in their Annual General Meeting held on 28th September 2022 have approved the same and amended the relevant clause of the Memorandum of Association of the Company. Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI')

In terms of Section 118(10) of the Companies Act, 2013, the Company has complied with the applicable Secretarial Standards i.e. SS-1, SS-2 and SS-4, relating to the 'Meetings of the Board', 'General Meetings' and 'Report of the Board of Directors', respectively, as specified by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

Acknowledgement

The Board of Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business associates, financial institutions for their consistent support and encouragement to the Company.

We are sure you will join our Directors in conveying our sincere appreciation to employees at all levels of the Company for their hard work, dedication and commitment, in particular during this unprecedented year, thereby ensuring uninterrupted supply of quality services across the globe.

For and on Behalf of the Board

ANNEXURE 1

Place: Bangalore

Sd/-

Date: September 06, 2023

Ajay Bhardwaj

Chairman & Managing Director

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Amount in INR)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Neoanthem Lifesciences Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	15,00,000
5	Reserves & surplus	-
6	Total assets	447,788,232.34
7	Total Liabilities	447,788,232.34
8	Investments	0
9	Turnover	0
10	Profit before taxation	(4,850,072.06)
11	Provision for taxation	0
12	Profit after taxation	(4,860,039.62)
13	Proposed Dividend	0
14	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations

M/S. Neoanthem Lifesciences Private Limited, is a wholly owned subsidiary of Anthem Biosciences Private Limited, which was incorporated on July 22, 2020. The Company is yet to commence operations.

- Names of subsidiaries which have been liquidated or sold during the year.

There are no such subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

There are no Associates and/or Joint Ventures with the company as on March 31, 2023.

ANNEXURE 2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

- (a) Name(s) of the related party and nature of relationship: NIL
- (b) Nature of contracts/arrangements/transactions: NIL
- (c) Duration of the contracts / arrangements/transactions: NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- (e) Justification for entering into such contracts or arrangements or transactions NIL
- (f) Date(s) of approval by the Board: NIL
- (g) Amount paid as advances, if any: NIL
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

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

- (a) Name(s) of the related party and nature of relationship:

SL.NO.	NAME	NATURE OF RELATIONSHIP
1	Anthem Bio Pharma Pvt. Ltd.	Tenant / Customer
2	Ishaan Bhardwaj	Relative of Managing Director
3	Krithika Ganesh	Relative of Director
4.	Keerthana Ravindra	Relative of Director

- (b) Nature of contracts/arrangements/transactions:

SL.NO.	NATURE OF TRANSACTION
1	Rent received from Anthem Bio Pharma Pvt. Ltd. and Supply of goods to Anthem Bio Pharma Pvt. Ltd.
2	Salary paid to relative of Managing Director
3	Salary paid to relative of Director
4	Salary paid to relative of Director

- (c) Duration of the contracts / arrangements/transactions:

SL.NO.	TRANSACTIONS	DURATION OF TRANSACTION
1	Rent received from Anthem Bio Pharma Pvt. Ltd.	11 years
2	Salary paid to relative of Managing Director	3 years
3	Salary paid to relative of Director	1 year
4	Salary paid to relative of Director	1 year

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

SL.NO.	TRANSACTIONS	Salient terms of the transactions
1	Rent received from Anthem Bio Pharma Pvt. Ltd.	As per the agreement entered by the Company with Anthem Bio Pharma Pvt. Ltd. on 24th May 2012.
2	Salary paid to relative of Director	As per the letter of appointment issued by the Company dated 18th February 2019.
3	Salary paid to relative of Director	As per the letter of appointment issued by the Company dated 26th August 2021.
4.	Salary paid to relative of Director	As per the letter of appointment issued by the Company dated 04th April 2022.

(e) Date(s) of approval by the Board, if any:

SL.NO.	TRANSACTIONS	DURATION OF TRANSACTION
1	Rent received from Anthem Bio Pharma Pvt. Ltd.	24/05/2012
2	Salary paid to relative of Managing Director	-
3	Salary paid to relative of Director	-
4.	Salary paid to relative of Director	-

(f) Amount paid as advances, if any: **NIL**

ANNEXURE 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2023

To

The Members

ANTHEM BIOSCIENCES PRIVATE LIMITED

No. 49, F1 & F2, Canara Bank Road,
Bommasandra Industrial Area, Phase I,
Bommasandra, Bengaluru- 560099.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Anthem Biosciences Private Limited ("the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2023 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. No Overseas Direct Investment and External Commercial Borrowings were made by the Company during the period under review;
- iv. Other laws specifically applicable to the Company:
 - a. Drugs and Cosmetics Act, 1940
 - b. Bio Medical Waste (Management & Handling) Rules, 1998
 - c. ICH Guidelines (this is the based on which US FDA/ EU Guidelines etc. are created on)
 - d. National Biodiversity Act, 2002
 - e. Narcotic Drugs and Psychotropic Substance Act, 1985
 - f. Drugs (Control) Act, 1950
 - g. Local laws laid down by Karnataka State Pollution Control Board (KSPCB), Central Pollution Control Board, Ministry of Environment and Forest, National Green Tribunal, Dept. of Factories, Boilers Industrial Safety and Health.
 - h. FSSAI Regulation 2011.

The Company being a Private limited company, the following Regulations prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the audit period:

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- g. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- j. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As the Company is a private Company, entering agreement with stock exchanges does not arise.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.

We have not examined compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc., mentioned above.

We further report that the Board of Directors of the Company is duly constituted. During the period under review there was no change in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all the directors for all the Board Meetings held during the period under review. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We have been informed by the Company that, there are adequate system of internal controls commensurate with the nature, size and complexity of its operations including controls over financial reporting to ensure compliance with applicable laws, rules, regulations, and guidelines. Appropriate review and control mechanisms are in place for ensuring the internal control systems are operating effectively. The internal control system is supported by qualified personnel and a continuous programme of internal audit. The Company constantly reviews its policies and procedures to adhere conformity of the various global and domestic regulations for its manufacturing facilities or statutory compliances.

The following events/actions were having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc., during the audit period:

- a. The Board of Directors in its meeting held on September 06, 2022 approved conversion of 23,316 number of 0.05% Compulsorily Convertible Preference Shares (CCPS) of Rs. 1,000/- each into Equity Shares of Rs. 10/- each at the ratio of 50:1 equivalent to 466 Equity Shares, ranking paripassu with the existing Equity Shares of the Company.
- b. The Company in its 16th Annual General Meeting dated September 28, 2022 approved Sub-division of face value of Equity shares of the Company from one Equity Share of Rs.10/- (Rupees Ten only) each to five Equity Shares of Rs. 2/- (Rupees Two only) each and consequently amended the Capital clause of the Memorandum of Association of the Company.
- c. The Company in its 16th Annual General Meeting dated September 28, 2022 approved issue of bonus shares to the existing shareholders in proportion of 12 (Twelve) Equity shares for every 1 (One) Equity shares held.
- d. The Company in its 16th Annual General Meeting dated September 28, 2022 vide Special resolution increased its authorised share capital from existing Rs. 32,50,00,000 to Rs. 1,25,00,00,000 and consequently amended the Capital clause of the Memorandum of Association of the Company.

For **V SREEDHARAN & ASSOCIATES**

Sd/-

(Pradeep B. Kulkarni)

Partner

FCS: 7260; C.P. No: 7835

Place: Bengaluru

Date: September 06, 2023

UDIN:

Peer Review Certificate: No. 589/2019

This report (i.e., Form No. MR-3) is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

'Annexure'

To

The Members

ANTHEM BIOSCIENCES PRIVATE LIMITED

No. 49, F1 & F2, Canara Bank Road,
Bommasandra Industrial Area, Phase I,
Bommasandra, Bengaluru- 560099

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We have conducted online verification and examination of records, as facilitated by the Company for the purpose of issuing Secretarial Audit Report (Form No. MR-3).

For V SREEDHARAN & ASSOCIATES

Sd/-

(Pradeep B. Kulkarni)

Partner

FCS: 7260; C.P. No: 7835

Place: Bengaluru

Date: September 06, 2023

UDIN:

Peer Review Certificate: No. 589/2019

ANNEXURE 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to section 135 of the Companies Act, 2013 and rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief Outline of the Company's CSR policy, including overview of the projects proposed to be undertaken:

The Company's contributions and initiatives towards social welfare have been integral to its business, and it shall continue to pursue Corporate Social Responsibility activities (hereinafter referred to as "CSR") as one of its fundamental priorities for a long-term sustainability of business, social wellbeing, and economic growth at large. The Company has drafted a CSR policy and the same is available at its website at www.anthembio.com

The policy inter-alia covers the following:

- i. Functioning of the CSR Committee
- ii. Focus Areas:
 - a. To enhance Education, Differently abled, livelihood
 - b. Encouraging Sports
 - c. Environment, Animal Welfare, Conservation Of Resources
 - d. Gender Equality, Women Empowerment, Old Age Homes, Reducing Inequalities
 - e. Health, Eradicating Hunger, Poverty And Malnutrition, Safe Drinking Water, Sanitation
 - f. Other Sectors (Technology Incubator And Benefits To Armed Forces And Admin Overheads)
 - g. Contributions to Prime Minister's National Relief Fund
 - h. Contributions to Swachh Bharat Kosh
- iii. Planning, Implementation & Monitoring of CSR
- iv. Annual Action Plan, Reporting & Documentation
- v. Treatment of Unspent CSR Obligation
- vi. Contingency
- vii. Policy Review & Future Amendment

2. The composition of the CSR Committee:

The CSR Committee of the Company was constituted on 2nd August, 2014 and comprises of the following directors as on 31st March 2023:

Sl. No.	Name of Director	Designation	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ajay Bhardwaj	Chairperson	Managing Director	2	2
2	Sambasivam Ganesh	Member	Director	2	2
3	K.C. Ravindra	Member	Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The web-link for CSR Policy and Committee is <https://anthembio.com/Corporate%20Social%20Responsibility.html>

4. **Provide the details of impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of Companies (CSR Policy) Rule, 2014, if applicable:**

Not Applicable

5. **Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies (CSR Policy) Rules, 2014 and amount required to set off for the financial year, if any**

NIL

6. **Average Net Profit of the Company as per Section 135(5)**

₹ 34,428.09Lacs

7.

(a) 2% of the average net profit of the Company as per Section 135(5)	₹688.56 Lacs.
(b) Surplus arising out of the CSR projects or programmes or activities of the Previous financial year	NIL
(c) Amount required to be set off for the financial year, if any	NIL
(d) Total CSR obligation for the financial year (7a+7b+7c)	₹688.56 Lacs.

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

	Amount unspent (In Rs.)		
Total amount spent for the financial year (In Rs.)	Total amount transferred to Unspent CSR account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)	
4,60,93,403	2,27,62,791	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:										
Sl.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project	Project Duration	Amount allocated for the Project (in Rs.)	Amount sent in the current financial year (in rs.)	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of implementation - Through implementing Agency
1	2	3	4	5	6	7	8	9	10	11
1	Contribution to corporate care funds	Clause (i)	Yes	Karnataka	Bangalore	1 year	250,000	250,000	No	AIM for Seva
2	Serving mid-day meals to Govt. School Children in Karnataka	Clause (i)	Yes	Karnataka	Bangalore	1 year	4,00,000	2,50,000	No	Akshaya Patra Foundation
3	Promotion of sports	Clause (vii)	Yes	Karnataka	Bangalore	1 year	100,000	100,000	No	Bangalore Super Strikers FC
4	Baby table and chairs to school	Clause (ii)	Yes	Karnataka	Bangalore	1 year	96,944	96,944	Yes	-
5	Contribution towards healthcare	Clause (i)	Yes	Karnataka	Bangalore	1 year	2,00,000	2,00,000	No	Manipal Foundation
6	Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects.	Clause (i)	Yes	Karnataka	Bangalore	1 year	300,000	300,000	No	Centre for Cellular and molecular platforms
7	Promoting Sustainable Development Goals	Clause (ix) (b)	No	Maharashtra	Mumbai	1 year	200,000	200,000	No	IIT Bombay
8	Contribution towards healthcare	Clause (i)	Yes	Karnataka	Bangalore	1 year	200,000	200,000	No	Academy of Family Physicians of India, Karnataka

9	Promoting education, employment enhancing vocation skills for children and women	Clause (i)	Yes	Karnataka	Bangalore	1 year	1,000,000	1,000,000	-	Yes	Bal Umang Drishya Sanstha	CSR000003766.
10	Promoting Sustainable Development Goals	Clause (ix) (b)	No	Delhi	Delhi	1 year	100,000	100,000	-	No	Foundation for Excellence India Trust (IIT Delhi)	NA
11	Contributions to public funded Universities	Clause (ix) (b)	No	Delhi	Delhi	1 year	400,000	400,000	-	Yes	Chemical Research Society of India (JNU - Delhi)	NA
12	Contribution towards healthcare	Clause (i)	Yes	Karnataka	Bangalore	1 year	6,000,000	3,000,000	3,000,000	No	Sri Sringeri Sharada Peetham Charitable Trust	CSR00005313.
13	Restoration of works of art/development of traditional arts	Clause (v)	Yes	Karnataka	Bangalore	1 year	10,000,000	10,000,000	-	No	Art & Photography Foundation	CSR00000053
14	Infrastructure development of the Science Centre	Clause (v)	Yes	Karnataka	Bangalore	1 year	20,000,000	20,000,000	-	No	Janaseva Trust (Param)	CSR00006302.
15	Environment sustainability	Clause (iv)	Yes	Karnataka	Ramanagara	1 year	1,447,214	1,447,214	-	Yes	-	-
Total							46,094,158	41,594,158	4,500,000			

(d) Amount spent in administrative overheads - NIL

(e) Amount spent of Impact Assessment - Not Applicable

(f) Total amount spent for the Financial Year - 46,093,403 (Rupees Four Crore Sixty Lakhhs Ninety Three Thousand Four Hundred and Three Only)

(g) Excess amount for set off, if any - NIL

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

Sl.No.	2	3	4	5	6	7	8	9	10	11
	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project	Project Duration	Amount allocated for the Project (in Rs.)	Amount sent in the current financial year (in rs.)	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of implementation – Through implementing Agency
1	Government School @ Jakkasandra	Clause (ii)	Yes	Karnataka	Ramanagara	36 months	6,200,000	2,053,200	4,146,800	Yes
2	Government School @ Bannikuppe	Clause (ii)	Yes	Karnataka	Ramanagara	36 months	6,000,000	2,316,045	3,683,955	Yes
3	Government Schools and Public Sanitation	Clause (i)	Yes	Karnataka	Ramanagara	36 months	4,953,670	-	4,953,670	Yes
4	Construction of Canteen Facility for homeless	Clause (i)	Yes	Karnataka	Bangalore	36 months	5,000,000	-	5,000,000	No
5	Infrastructural development	Clause (xii)	Yes	Karnataka	Bangalore	36 months	358,366	-	358,366	No
6	Eradicating Hunger	Clause (i)	Yes	Karnataka	Bangalore	36 months	250,000	130,000	120,000	Yes
Total							22,762,036	4,499,245	18,262,791	

9. (a) 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 Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) if any		Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	
1.	2020-2021	13,260,826	1,000,000	-	-	8,315,143.60
2.	2021-2022	36,778,281	12,849,926	-	-	22,941,720.62

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

SI. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project – Completed/On-going
1	FY31.03.2021_1	Foundation for Neglected Disease Research	2020-2021	36 months	5,000,000	1,000,000	4,000,000	Ongoing
2	FY31.03.2022_1	Lake rejuvenation	2020-2021	36 months	2,000,000	1,000,000	2,000,000	Completed
3	FY31.03.2022_2	Development of tribal community	2020-2021	36 months	2,500,000	1,000,000	2,500,000	Completed
4	FY31.03.2022_3	Govt. School @Maralakunte	2021-2022	36 months	5,500,000	4,323,154	4,323,154	Ongoing
5	FY31.03.2022_4	Govt. School @Adanakuppe Urdu school	2021-2022	36 months	15,000,000	3,732,171	3,732,171	Ongoing
6	FY31.03.2022_5	Govt. School @ Hebbideramatu	2021-2022	36 months	3,000,000	1,827,000	1,827,000	Ongoing
7	FY31.03.2022_6	Public Toilets @Kanakpura Taluq	2021-2022	36 months	6,000,000	967,600	967,600	Ongoing

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

- Date of creation or acquisition of the Capital assets. NIL
- Amount of CSR spent for creation or acquisition of capital asset. NIL
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NIL
- Provide details of the Capital asset(s), created or acquired (including complete address and location of the capital asset). NIL

11. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per Section 135(5)

The Company started the project for construction of schools in underdeveloped areas of Ramanagar District, in the year 2020-21. The Company has already established 2 number of schools in the year 2022 and 2023 in Ramanagara district. During the year, the Company has been making contribution in the health care projects, environment welfare and rural and tribal development activities and is under the process to explore some more CSR projects which would meet the prospect of the CSR Policy. The Company is also in the process of finding suitable implementing agencies to circumvent non-expenditure of the deployed amount towards Corporate Social Responsibility in the upcoming years.

Sd/-

Ajay Bhardwaj

(Managing Director & Chairman, CSR Committee)

DIN: 00333704

Sd/-

Ravindra K. C.

(Director)

DIN: 01580534

Management Discussion and Analysis

ANTHEM BIOSCIENCES PRIVATE LIMITED (hereinafter referred to as "Anthem"), incorporated in Bangalore on 13th June 2006 is a Contract Development & Manufacturing Organization (CDMO) offering early-stage drug discovery services with its services encompassing medicinal chemistry, process chemistry, custom synthesis, discovery research and analytical R&D. Over the years, Anthem has forward integrated into contract manufacturing to benefit from the synergies arising out of its involvement in the development of the product.

CDMOs specialize in the development, scale-up and manufacturing of drug products both for clinical trials and for commercial distribution, offering a range of services that include drug development, process development, analytical testing, formulation development, scale-up, manufacturing, packaging, and distribution. These services can be provided on a stand-alone basis or as part of a complete end-to-end service offering.

A. Contract Development and Manufacturing Services: Market Size and Attributes

CDMOs play a central role in the production of medicines today. As flexible and well-trusted third-party service providers, CDMOs support pharmaceutical companies at all stages of the process of making medicines: from providing services in the research and development stages of new medicines, via offering support in manufacturing these drugs, to providing formulation and finishing processes. CDMOs have been on the rise in the last decade and are setting a clear course towards technology leadership, and thus are expected to become even more important over the next decade.

The Global CDMO market was valued at USD 76 bn in 2022 and is expected to grow at a CAGR of 17.1% to reach a market size of USD 143 Bn in 2026. The growth in CDMO activity has accelerated, driven by the increasing trend of outsourcing.

Historically, CDMOs were focused on a business model of predominantly serving as external service providers for the manufacturing of mature pharmaceutical products. This model included (and still does so today) the addition of capacity by the acquisition of manufacturing facilities from pharmaceutical companies that these no longer required. Nowadays, in addition to this, CDMOs are increasingly becoming leaders of innovation. Pharma service providers are more and more covering all areas of the pharmaceutical business, not only manufacturing, adding additional revenue streams in this altered business model.

Currently, CDMOs are expanding their capabilities through Mergers and Acquisitions and are able to deliver technically advanced services at scale. New partnerships further enabled CDMO players to fuel the rapid growth of capacities and capabilities, helping the industry to succeed in ramping up e.g., vaccine production.

B. The Indian CDMO Industry

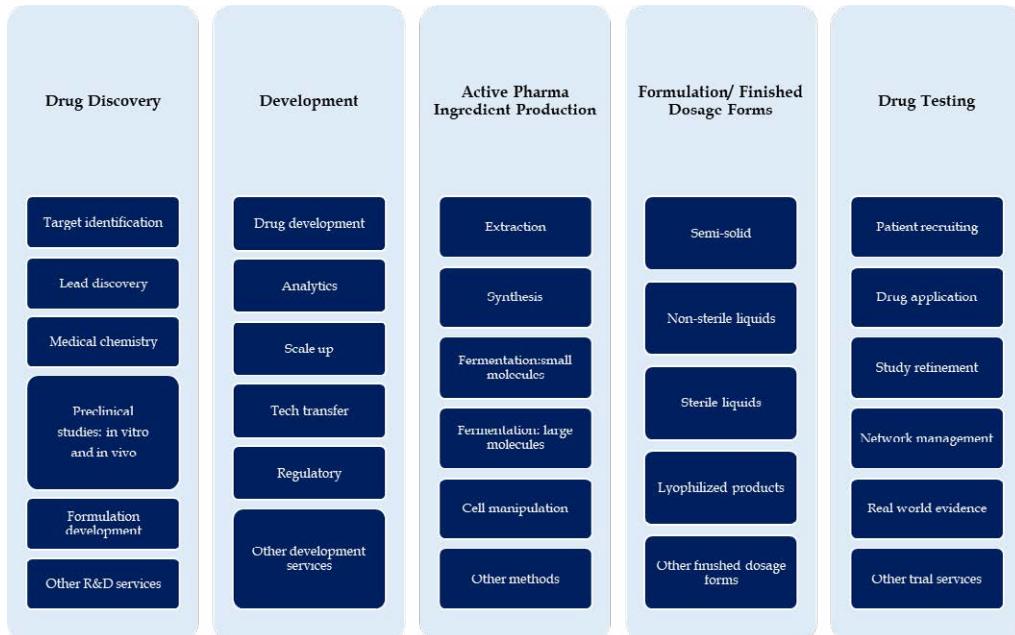
Indian CDMO market is nascent and growing fast (18%), attracting strong investors' interest– this is also expected to drive interest from global strategic who are looking to leverage India's low-cost manufacturing and expand capabilities, hence providing multiple exit options. Most Indian players have selective focus technology and value chain focus (largely in small molecules) and compete mainly on lower cost (30-40% lower than global peers); though, increasingly expanding capabilities in complex technologies such as biopharma, peptides.

India is expected to outpace the growth of global CDMO market and has advantage in terms of lower cost and talented pool of skilled labour compared to western countries.

India's pharmaceutical industry has gained global recognition for its cost-effective and high-quality medicines. It has become a major player in the global pharmaceutical market and is referred to as the "Pharmacy of the World." Although pricing pressures in the US and European markets may lead to a slight contraction of operating profit margin, the Indian pharmaceutical industry is estimated to achieve a 6-8% revenue growth in the coming years, supported by robust growth in domestic and emerging markets.

C. The Core CDMO services

The recent development of CDMO industry indicate a need for an adjustment of the current value chain model that is expanding from drug development to clinical trials.



CDMO Market Poised for Growth

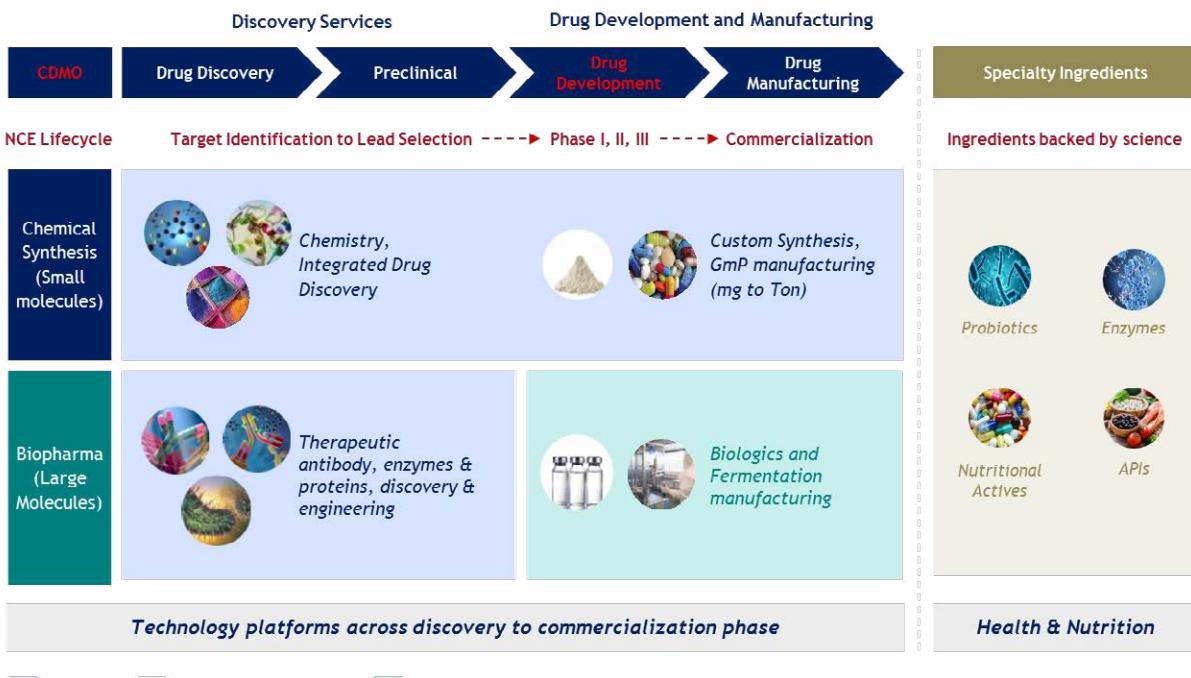
Integration of the company network is happening along three main axes: Extension of the capabilities along value chains within a modality, extension to new modalities and, in select cases, an extension from a focus of product offerings towards offering additional service categories (such as clinical trial services). Especially the rise of new technologies offers potential to revolutionize therapies and supply chains. We expect these trends to persist throughout the next years.

More broadly, we also expect CDMOs to foster their new role as technology innovators. Major players increasingly incorporate smaller startups and technology leaders. Integration of clinical trial services could be a new trend area for CDMOs to enter high value, low volume segments.

D. ABOUT ANTHEM BIOSCIENCES PRIVATE LIMITED ("Anthem")

Anthem is a Contract Development & Manufacturing Organization (CDMO) offering early-stage drug discovery services with its services encompassing medicinal chemistry, process chemistry, custom synthesis, discovery research and analytical R&D and is amongst India's leading vertically integrated biopharmaceutical research and manufacturing organizations, offering end-to-end services and a wide range of chemical and biological therapeutic products to leading biopharmaceutical, healthcare, and academic institutions across the globe.

Anthem commenced its operations as an export oriented unit (EOU) and has research facilities including chemistry labs, kilo lab, pilot plants, and analytical and discovery research facilities in its manufacturing plant at Bommasandra in Bangalore. Currently it has two USFDA approved manufacturing units at (a) Bommasandra industrial area, and (b) Harohalli industrial area, both state of art facilities located near Bengaluru in the state of Karnataka and have been successfully inspected by USFDA, PMDA (Japan), EDQM, etc. It is a trusted partner of choice for both new-age Biotechnology Companies and as well as Global Big Pharma Customers. Anthem is currently also setting up a new greenfield facility under its wholly owned subsidiary, Neoanthem Lifesciences Private Limited at Harohalli industrial area, the Phase – I is expected to be commissioned in end 2023.



Anthem Product & Service Offerings includes:

1. CRO/CDMO services

- a. Large and Small therapeutic molecules
- b. Process Optimisation using novel technologies (bio-catalysis, flow chemistry, continuous processing, peptides, fermentation, high potent, electrochemistry, metal-mediated chemistry)

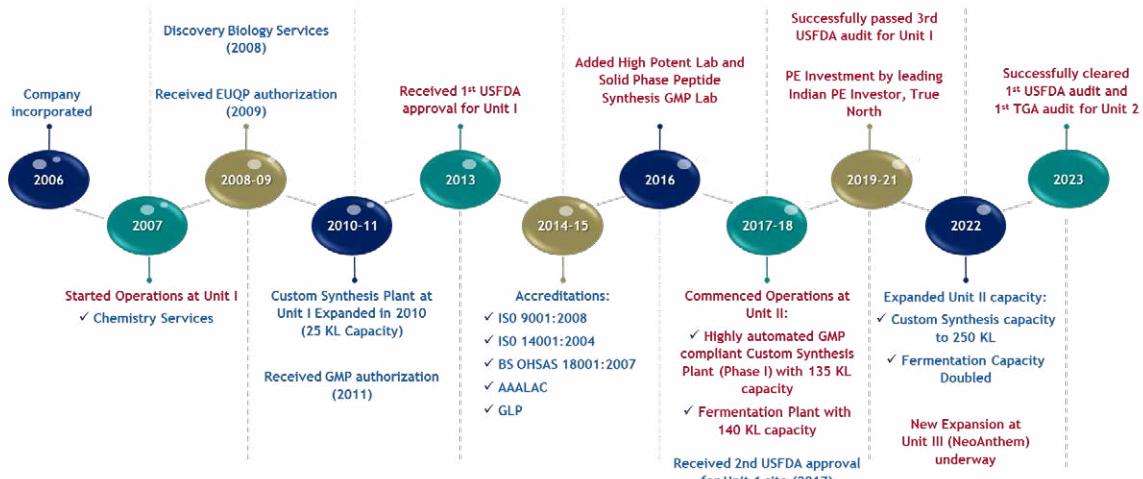
2. Specialty Ingredients

- a. Biosimilars, Novel Biologics, Fermentation Products, Probiotics, Enzymes, Nutritional Actives, Vitamin Analogues and APIs

Anthem has positioned itself as a Contract Research and Innovation Service Provider (CRISP), with a built-up capacity to house over 2,000 researchers and manufacture novel commercial drug actives. Anthem's labs have helped new and emerging biotechs and big pharma, develop, optimize and test proteins, monoclonal antibodies, peptides, large molecules, small molecules, toxins and much more. In addition to product research and development, Anthem helps test drugs for safety, efficacy (in vitro and in vivo), pre-clinical animal studies in a GLP facility, clone development, Antibody Drug Conjugates, R&D and manufacture of highly potent compounds, flow chemistry based production and large scale commercial product manufacture. Leveraging its core competency in organic synthesis, Anthem has developed new and challenging nutritional products with a strong scientific rationale. These are now being sold globally to nutraceutical and wellness product companies.

Anthem has world-class infrastructure to do GMP synthesis ranging from milligram to kilogram, multi-kilogram to multiple ton scale, across both chemistry and biology.

A timeline chart of significant milestones at Anthem is as presented below:



Manufacturing Facilities:

UNIT 1 – Bommasandra

This facility comprises of a total chemistry R&D Area of 45,000 Sq. Ft. and houses Small Scale GMP Lab – which includes automated peptide synthesizer, dedicated process engineering laboratory, containment labs for high potent molecules, GMP Quality Control Lab, and associated science desk. Total custom synthesis capacity across 27 reactors is 25 KL and total fermentation capacity is 2 KL. It's a USFDA, PMDA, GLP (OECD) approved facility.

UNIT 2 – Harohalli

This facility is designed to manufacture multiple large scale products in parallel and has 5 dedicated finishing suites for wet & dry processing and is cGMP compliant. This facility has a large scale fermentation facility for enzyme and cultures. In FY 22-23, Chemical Synthesis Plant 3, 4 and 5 were commissioned to increase the total production capacity in Unit 2 to 250 KL, spread across 60 reactors. Total fermentation capacity in Unit 2 is 140 KL. The facility is USFDA and TGA approved.

UNIT 3 – NeoAnthem

Currently under construction, this new Greenfield facility housed under a wholly-owned subsidiary, Neoanthem Lifesciences Private Limited at Harohalli industrial area is designed to manufacture multiple large scale products in the areas of probiotics, enzymes, high-potent compounds and biosimilars. Phase – I of the facility is expected to be commissioned by end 2023.

In today's rapidly changing economic landscape, Anthem is focused on strengthening its core capabilities while adjusting its strategic priorities. It continues to create value by expanding our manufacturing capabilities and entering new, high potential markets. Through innovation and the development of new products, we are determined to further enhance our global standing.

Unit 3 - NeoAnthem: Built over 8 acres will be commissioned by end 2023



Risks, Concerns and Mitigation Strategy

The Company has aligned risk management process with every part of the critical business processes to ensure that the processes are designed and operated effectively towards the achievement of business objectives. Risks are addressed across all business functions in holistic manner:

Risks are identified through discussion with Business heads. Evaluation of risks is done to determine likelihood of occurrence and its impact to priorities risk and mitigate within tolerance limit. Appropriate actions are undertaken by the business heads/ process owners within adequate timelines. Progress of mitigation actions are monitored and reviewed periodically and the Periodic updates are provided to the Board highlighting key risks.

1. Regulatory and Quality Compliances

The Company devotes significant importance to the regulatory compliances as it accesses advanced markets like Europe and USA for a major part of its business. Risks relating to regulatory compliances to such markets are inherent to the Company's business. The Company constantly reviews its policies and procedures to adhere conformity of the various global and domestic regulations for its manufacturing facilities or statutory compliances.

2. Patent Compliance

From the inception of its manufacturing operations, the Company has its stated policy of conforming to intellectual property rights (IPR) and does not violate patents. Anthem continually reviews patent compliance in its process development of active ingredients and has a monitoring mechanism to validate non-infringement of the processes developed.

3. Human Resources

We consider employees as an integral part of our operations and we put in place appropriate compensation plans, feedback process, continuing training and upgradation of skills in their functional areas. Employee relations are affable and harmonious with safe and healthy working environment and all round contribution and participation in the growth.

4. Commercial and Financial Risk

With predominance of its exports, the Company is exposed to a wide spectrum of risks relating to markets, legal disputes relating to contracts, various statutory compliances, credit from suppliers or to customers or from banks/lenders, interest rates, liquidity as well as foreign exchange rate volatility. The Company constantly reviews its systems and processes and takes adequate measures to address these risks or meet its obligations.

5. Insurance

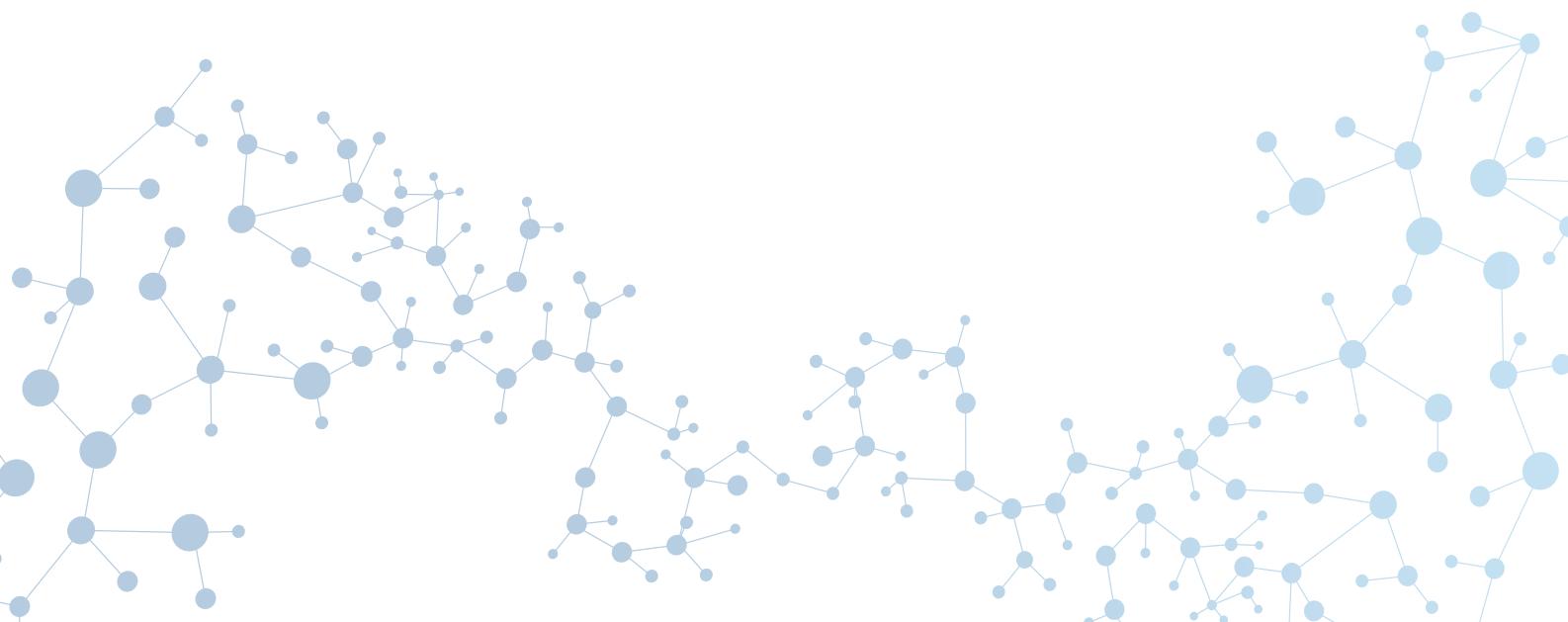
The Company's current and fixed assets as well as products are adequately insured against various risks like transit, fire and allied risks, public liability, the employees insurance, directors & officers' liability etc.

6. Environment, Health and Safety

As the Company's manufacturing operations involve complex chemical reactions, risks exist on any issues relating to safe operations and environment compliances. Anthem's policies and processes are designed and reviewed from time to time to adhere to all applicable regulations on the environment management, employee health and safety. Anthem continually strives to optimize the resources and upgrade its processes in order to reduce the environmental impact of its processes, products and services, besides ensuring health and safety of employees involved in the processes.

Internal Control Systems

The Company has an adequate system of internal controls commensurate with the nature, size and complexity of its manufacturing, finance and marketing operations including controls over financial reporting. Appropriate review and control mechanisms are in place for ensuring the internal control systems are operating effectively. The internal control system is supported by qualified personnel and a continuous programme of internal audit.



Financial Statements

Independent Auditor's Report (Standalone)

To the Members of Anthem Biosciences Private Limited Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Anthem Biosciences Private Limited** which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the 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 Standalone State of Affairs of the Company as at March 31, 2023, and its profit and the total comprehensive income, the cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

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

Board of Directors' Responsibility for the Standalone Financial Statements

The Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance, of the company in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there no key audit matters to be reported for the year 2022-23.

Auditor's Responsibility for the audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

- As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal 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 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 disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 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.

As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
 - iv. The Management has represented in Note 47(i) that, to the best of its knowledge and belief, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - v. The Management has represented in Note 47(ii) that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - vi. Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
 - vii. The company has neither declared nor paid interim dividend or final dividend during the year. Therefore, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
- j. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company

For **K.P.Rao & Co.**

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in report on other legal and regulatory requirements Section of our report of even date)

i.

a.

- B. The company has maintained showing proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- C. 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 Property, Plant and Equipment have been physically verified by the management during the year.
- c. Except for the property tabulated below, the title deeds of immovable properties held by the company are in the name of the Company.

Description	Gross Carrying Value (In Lakhs)	Held in name of	Whether promoter/director or their relative or employee	Period held	Reason for not being in name of company
PPE	1313.21	The Karnataka Industrial Areas Development Board (KIADB)	No	17/05/2018	Lease cum sale basis (99 years lease)
PPE	367.15	The Karnataka Industrial Areas Development Board (KIADB)	No	26/09/2019	Lease cum sale basis (99 years lease)
PPE	4737.69	The Karnataka Industrial Areas Development Board (KIADB)	No	02/02/2021	Lease cum sale basis (99 years lease)

- d. 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 revalued its Property, Plant and Equipment or Intangible Assets during the year.
- e. According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate; No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are generally in agreement with the books of account of the Company. Differences if any, are immaterial.
- 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 granted advances to one of its subsidiary during the year & the company has granted loans & stood guarantee for two companies during the year, details of the loan & guarantee is stated in sub-clause(a) below.
- a. A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted advances to its wholly-owned subsidiary (Neoanthem Lifesciences Private Limited) during the year ended 31st March 2023.

Particulars	Amount(in lakhs)
Aggregate amount of advances during the year	2,144.79
Balance of loan outstanding as at balance sheet date	2,318.97

The company also stood guarantee for wholly owned subsidiary Neoanthem Lifesciences Private Limited during the year ended 31st March 2023:

Particulars	Amount (in lakhs)
Aggregate amount of Guarantee during the year	21,400
Balance as at balance sheet date	21,400

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has stood guarantee for a company other than its subsidiary during the year ended 31st March 2023:

Particulars	Amount (in lakhs)
Aggregate amount of Guarantee stood for Anthem Biopharma Private Limited during the year	300
Balance as at balance sheet date	400

- b. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are *prima facie*, not prejudicial to the interest of the Company.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- IV. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- V. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
- VI. According to the information and explanations given to us and on the basis of our examination of the records, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly, clause 3(vi) of the Order is not applicable.

VII.

- a. The company has been regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues with the appropriate authorities during the year.
- b. According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Nature of the statute	Nature of the Dues	Amount (In Lakhs)	Period	Forum where dispute is pending
The Finance Act, 1994	Service Tax	12.25	FY 2012 to FY 2015	CESTAT- Bangalore
Income Tax Act, 1961	Income Tax	92.91	AY 2017-18	CIT (A)- Bangalore
Income Tax Act, 1961	Income Tax	50.88	AY 2020-21	CIT (A)-Bangalore

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 repayment of dues to banks, financial institutions.
- 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 wilful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e. According to the information and explanations given to us and procedures performed by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us and procedures performed by us, the company has not raised any loans during the year on the pledge of securities held in its subsidiary.

X.

- a. The Company has not raised any money 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. Based on examination of the books and records of the Company and according to the information and explanations given to us, the Company has not issued Equity shares during the year. The company has issued bonus shares and converted the compulsorily convertible preference shares into equity shares during the year for which no additional funds were raised.

XI.

- a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the Management, constituting whistle-blower policy is not required by the company. Accordingly, clause 3(xi)(c) of the Order is not applicable

XII. According to the information and explanations given to us, the company is not a Nidhi Company and therefore the provisions of Para 3(xii) of the Companies (Auditors Report), 2020 are not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

XIV.

- a. The company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the company issued till date, for the period under audit.

XV. In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

XVI.

- a. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- b. The Company is not a Non-Banking Financial or Housing Finance activities as defined in regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly the provisions of Para 3(xvi)(c) is not applicable.
- d. As per the information and explanations given to us, there are no Core Investment Companies as part of the Group. Accordingly the provisions of Para 3(xvi)(d) is not applicable.

XVII. The company has not incurred cash losses in the current and in the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year and accordingly this clause 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 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 In our opinion and according to the information and explanations given to us, the Company has transferred the amount to be spent on CSR to a specific bank account.

for K.P.Rao & Co.

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023

Annexure B to Independent Auditors' Report on The Standalone Financial Statements

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of the Company as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has maintained, 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 31st March 2023, 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 of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However, the existing policies, systems, procedures and internal controls followed by the Company have to be completely and appropriately documented.

Board of Directors' Responsibility for Internal Financial Controls

The Board of Directors are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 the Companies Act, 2013 ('the Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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. This includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii. 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
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **K.P.Rao & Co.**

Chartered Accountants
Firm Reg. No. 0031355

Mohan R Lavi

Partner
Membership No. 029340
UDIN:
Place: Bangalore
Date: 6th September 2023



Standalone Financial Statements

Standalone Balance Sheet as at March 31, 2023		Note	As at 31.03.2023	(₹.in Lakhs)
PARTICULARS				
I ASSETS				
1) Non-current assets				
a) Property, plant and equipment	3	43,846.54	31,962.51	
b) Right to use assets (IND AS)	3.3	133.76	248.60	
c) Capital work-in-progress	3.1	14,340.76	15,267.62	
d) Other Intangible assets	3.2	908.94	689.89	
e) Financial Assets				
i) Investment	4.2	631.03	384.61	
ii) Trade receivables	5	310.78	311.18	
iii) Loans & Advances	6	2,797.57	615.85	
iv) Other Financial Asset	7	460.79	432.08	
f) Deferred tax assets (net)	8	2,490.80	1,593.65	
g) Non-Current tax assets (net)	9	137.49	137.30	
h) Other non-current assets	10	1,280.93	950.89	
Total Non-Current assets		67,339.39	52,594.19	
2) Current assets				
a) Inventories	11	12,941.63	5,823.00	
b) Financial assets				
i) Investment	4.1	49,287.05	26,913.33	
ii) Trade receivables	5	27,406.78	32,619.45	
iii) Cash and cash equivalents	12	34,137.90	33,826.98	
iv) Bank balances, other than (iii) above	13	141.44	1,059.54	
v) Other Financial Asset	7	22.63	28.98	
c) Other current assets	14	8,025.05	9,052.08	
Total Current assets		131,962.49	109,323.35	
TOTAL ASSETS		199,301.88	161,917.54	
II EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital	15	11,409.74	877.63	
b) Other equity	16	162,752.09	134,668.60	
Total Equity		174,161.83	135,546.22	
Liabilities				
1) Non-current liabilities				
a) Financial liabilities				
i) Lease liabilities	19	76.44	113.20	
ii) Borrowings	17	8,505.57	589.84	
iii) Other financial liabilities	19	616.02	392.17	
b) Provisions	20	894.28	805.79	
c) Other non-current liabilities	21	141.76	2,165.31	
Total non-current liabilities		10,234.07	4,066.31	
2) Current liabilities				
a) Financial liabilities				
i) Lease liabilities	19	32.22	117.22	
ii) Borrowings	17	2,887.61	2,959.26	
iii) Trade Payables	18			
(a) total outstanding dues of Micro enterprises & small enterprises			15.98	
(b) total outstanding dues to other than Micro enterprises & small enterprises			7,192.07	6,455.77
iii) Other financial liabilities	19	449.79	236.24	
b) Provisions	20	-	0.12	
c) Other current liabilities	21	3,755.95	10,581.53	
d) Current Tax Liabilities (net)	22	588.35	1,938.89	
Total current liabilities		14,905.99	22,305.01	
TOTAL EQUITY AND LIABILITIES		199,301.88	161,917.54	
Corporate information and Significant accounting policies.		1&2		

As per our report of even date attached
For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Statement of Profit and Loss for the period ending on March 31, 2023			(₹.in Lakhs)	
	PARTICULARS	Note	Year Ended 31.03.2023	Year Ended 31.03.2022
I	Gross Revenue from Operations	23	105,692.43	123,125.60
II	Other income	24	7,737.17	4,898.05
III	Total Revenue (I + II)		113,429.60	128,023.66
IV	Expenses			
	Cost of materials consumed	25	34,828.89	41,029.77
	Change in Work in Progress	26	(901.20)	(137.35)
	Employee benefits expense	27	15,323.70	13,751.39
	Finance costs	28	667.52	1,008.54
	Depreciation and amortization expense	3	6,369.60	5,775.64
	Other expenses	29	13,543.06	11,936.45
	Total expenses (IV)		69,831.57	73,364.43
V	Profit/(Loss) before exceptional items and tax (III-IV)		43,598.03	54,659.23
VI	Exceptional & Extra Ordinary items	33a	6,180.24	-
VII	Profit/(Loss) before tax (V+VI)		49,778.27	54,659.23
VIII	Tax expense	30		
1)	Current tax		12,004.84	14,238.89
2)	Deferred tax		(793.68)	(178.69)
			11,211.16	14,060.20
IX	Profit/(Loss) for the year (VII-VIII)		38,567.11	40,599.02
X	Other comprehensive income/(loss)			
a)	Items that will not be reclassified to profit or loss	31		
	Remeasurements of the defined benefit plans		(27.92)	(111.38)
	Deferred Tax on above items		103.48	28.03
b)	Items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit(Loss) and Other Comprehensive Income for the period)		38,642.67	40,515.68
XII	Earnings per equity share: (In Rs.)			
1)	Restated Basic EPS for FY 21-22		7.10	-
2)	Basic EPS		6.77	462.98
3)	Diluted EPS		6.77	462.95
	Corporate information and Significant accounting policies.		1&2	

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Cash flow statement for the period ending March 31, 2023		(₹.in Lakhs)	
Description		As at 31.03.2023	As at 31.03.2022
A) Cash Flow from operating activities:			
Net Profit before taxation		49,778.27	54,547.85
Adjustment:(+/-)			
Depreciation/ Amortisation		6,377.41	5,783.45
Provision for gratuity and leave encashment		88.50	65.20
Interest and Finance charges		667.52	1,008.54
Interest from deposits & advances		(2,949.56)	(957.57)
Dividend/Capital Gain from Mutual Funds		(1,487.33)	(937.66)
(Profit)/Loss on sale of asset		(5.33)	16.46
Operating Profit before Working Capital Changes		52,469.48	59,526.26
Adjustment for changes in working capital:			
Other financial Assets		(22.36)	(61.36)
Other Current Assets		1,027.02	(1,478.73)
Other non-current Assets		(338.04)	169.91
Current Financial Liabilities		213.56	173.63
Trade and other receivables		5,213.06	(7,152.93)
Inventories		(7,118.63)	(2,316.66)
Trade payables and other liabilities		720.32	(1,212.10)
Other Current Liabilities		(8,765.97)	(2,013.44)
Provisions		(0.12)	-
Cash used in operations		43,398.33	45,634.58
Income taxes paid		(11,500.00)	(12,300.00)
Net cash generated in Operating Activities		31,898.33	33,334.58
B) Cash Flow from Investing Activities:			
Purchase of fixed assets and other capital expenditure		(17,867.98)	(2,066.05)
Right to use assets-IND AS		70.18	(178.05)
Sale of Fixed Assets		7.00	5.52
(Increase)/Decrease in CWIP		926.86	(13,409.09)
Purchase of Intangible Assets		(561.71)	(313.90)
Interest from deposits & advances		2,949.56	957.57
Dividend/capital gain from Mutual Funds		1,487.33	937.66
Investments in Mutual Fund and Equities		(22,620.15)	(6,370.60)
Receipt/(payment) of loans and advances to related party		(2,181.71)	(140.93)
Net cash used in Investing activities		(37,790.62)	(20,577.86)
C) Cash flow from Financing activities:			
Proceeds from issue of equity shares		-	24,749.97
Repayment of Borrowings		7,915.73	(1,382.31)
Other Non-Current liabilities		(1,836.47)	645.07
IND AS fair value adjustment		(54.99)	133.30
Repayment of short term borrowings		(71.65)	(5,069.68)
Interest and Finance charges		(667.52)	(1,008.54)
Preference dividend (inclusive of tax)		-	(0.12)
Net cash (Used)/ Generated in Financing Activities		5,285.10	18,067.70
Net change in Cash and Cash Equivalents (A+B+C)		(607.18)	30,824.42
Cash and Cash Equivalents (beginning of the year)		34,886.52	4,062.11
Cash and Cash Equivalents (ending period)		34,279.34	34,886.52

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Consolidated Statement of Changes In Equity for the period ending March 31, 2023

STATEMENT OF CHANGES IN EQUITY

A - Equity Share Capital

Particulars

Particulars	(₹.in Lakhs)	
	Number	Amount
Balance as at April 01, 2022	8,776,254.00	877.63
Add: Equity shares allotted during the year by way of bonus shares and stock split without consideration	561,710,546.00	10,532.11
Balance as at March 31, 2023	570,486,800.00	11,409.74

B - Other Equity

For the year ended March 31, 2023

Particulars	Reserves and Surplus				Items of other comprehensive income/(loss)	Equity Component of Compound Financial Instruments	Total
	Capital Redemption Reserve	General Reserves	Securities Premium	Retained Earnings			
Balance as at April 01, 2022	500.00	9,843.25	27,001.83	97,465.38	(306.11)	164.24	134,668.60
Adjustment during the year	(500.00)	-	-	(10,078.75)	-	(10,578.75)	38,567.11
Profit for the year	-	-	-	38,567.11	-	-	38,567.11
Other Comprehensive income/(loss) for the year	-	-	-	-	75.56	-	75.56
Dividends & Dividend tax paid	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	(164.24)	(164.24)
Additions during the year	-	3,856.71	183.81	(3,856.71)	-	-	183.81
Balance as at March 31, 2023	-	13,699.97	27,185.64	122,097.04	(230.55)	0.00	162,752.09

For the year ended March 31, 2022

Particulars	Reserves and Surplus				Items of other comprehensive income/(loss)	Equity Component of Compound Financial Instruments	Total
	Capital Redemption Reserve	General Reserves	Securities Premium	Retained Earnings			
Balance as at April 01, 2021	500.00	5,783.35	2,281.03	60,793.08	(222.77)	164.24	69,298.93
Adjustment during the year	-	-	-	133.30	-	-	133.30
Profit for the year	-	-	-	40,599.02	-	-	40,599.02
Other Comprehensive income/(loss) for the year	-	-	-	-	(83.34)	-	(83.34)
Dividends & Dividend tax paid	-	-	-	(0.12)	-	-	(0.12)
Additions during the year	-	4,059.90	24,720.80	(4,059.90)	-	-	24,720.80
Balance as at March 31, 2022	500.00	9,843.25	27,001.83	97,465.38	(306.11)	164.24	134,668.60

As per our report of even date attached

For K.P. Rao & Co,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****15) Equity Share Capital**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No.of Shares	(₹.in Lakhs)	No.of Shares	(₹.in Lakhs)
Authorised Share capital				
Equity Shares of Rs. 2/- each (Rs.10/- each in FY22)	600,000,000	12,000	25,000,000	2,500
Preference shares of Rs 10/- each	5,000,000	500	5,000,000	500
0.05% Compulsorily Convertible Preference Share of Rs.1000/-each	-	-	25,000	250
	605,000,000	12,500	30,025,000	3,250
Issued, subscribed & fully paid share capital				
Equity Shares of Rs. 2/- each (Rs.10/- each in FY22)	570,486,800	11,410	8,776,254	878
0.05% Compulsorily Convertible Preference Share of Rs.1000/-each	-	-	23,316	233
Total	570,486,800	11,410	8,799,570	1,111

15.1 The Company has only equity shares having a face value of Rs.2/- each.(Post stock split and bonus issues during the FY23)

15.2 Terms/ Rights attached to equity shares

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of amounts payable to preference shareholders & any statutory liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 The details of shareholder holding more than 5% shares as at March 31, 2023 and March 31, 2022 set out below:

Sl. No	Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
		No. of Shares held	% holding	No. of Shares held	% holding
1	Mr. Ajay Bhardwaj	301,320,825	52.82%	4,635,705	52.82%
2	Mr. Ravindra K C	67,497,430	11.83%	1,038,422	11.83%
3	Mr. Ganesh S	69,565,730	12.19%	1,070,242	12.19%
4	Viridity Tone LLP	47,492,640	8.32%	730,656	8.32%
5	*Portsmouth LLC (0.05% CCPS)	-	-	23,316	100%

*Converted to equity in FY2023

16) Other Equity		(₹.in Lakhs)
Particulars		
a) Capital Redemption Reserve	-	500.00
b) General Reserve	13,699.97	9,843.25
c) Share Premium	27,185.64	27,001.83
d) Retained Earnings	122,097.04	97,465.38
e) Components of Other Comprehensive Income	(230.55)	(306.11)
f) Equity Component of Compound Financial Instruments	0.00	164.24
Balance at the end of the period (a+b+c+d+e+f)	162,752.09	134,668.60

Compound financial instrument

As per Ind AS 32, compound financial instruments need to be split into their debt and equity components from inception. The liability portion is first computed and the balance is the equity portion. This has been computed for the .05% Compulsorily convertible preference shares

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 0031355

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Particulars	Tangible Assets						Total (₹.in Lakhs)
	Land - Free Hold *	Road	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	
Cost or Deemed cost							
As at April 01,2022	8,361.28	407.01	13,039.07	30,587.37	1,673.65	744.84	68,125.88
Additions during the year	-	-	2,747.55	11,621.44	176.82	-	17,867.98
Disposals/adjustments	-	91.97	-	-	-	-	161.40
As at March 31,2023	8,361.28	315.04	15,786.63	42,208.81	1,850.47	744.84	564.35
Depreciation							12,898.55
As at April 01,2022	381.66	5,943.87	17,787.07	1,314.66	508.72	388.72	36,163.37
Charge for the period	9.42	979.33	3,436.08	107.40	73.07	27.23	1,158.42
Disposals/adjustments	-	91.68	-	-	-	-	68.05
As at March 31,2023	299.39	6,923.20	21,223.16	1,422.06	581.80	415.94	9,014.37
Net block							2,106.01
As at March 31,2023	8,361.28	15.64	8,863.43	20,985.65	428.41	163.04	148.41
As at March 31,2022	8,361.28	25.35	7,095.21	12,800.30	358.99	236.12	44.21
							2,881.39
							159.66
							31,962.51

***All title deeds of Immovable Properties are held in name of the Company except the below mentioned properties.**

'Below title deeds of immovable property not held in name of the company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Land	8acre land Plot No. 313-P, 314-P & 318-P, Harohalli Industrial Area, 2nd Phase.	1313.21447	The Karnataka Industrial Areas Development Board (KADB)	NA	17/05/2018	Lease cum sale basis (99 years lease)
	2acre land Plot Nos. 276-P, 280-P & 281-A Harohalli Industrial Area, 2nd Phase.	367.15414			26/09/2019	
	30acre land Plot no. 527 to 540 & 557 to 570 in Harohalli 3rd Phase Industrial Area.	4737.6864			02/02/2021	

Anthem Biosciences Private Limited**Notes forming part of the financial statements****3.1 Capital work-in-progress**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Capital work-in-progress	14,340.76	15,267.62
	14,340.76	15,267.62

Capital work-in-progress ageing schedule**As at 31 March 2023**

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	9,864.78	4,417.59	58.40	-	14,340.76
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	13,673.61	-	1,586.32	7.69	15,267.62
Projects temporarily suspended	-	-	-	-	-

3.2 Other Intangible assets

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Other Intangible Assets	908.94	689.89
Total	908.94	689.89

Particulars	(₹.in Lakhs)
Cost or Deemed cost	
As at April 01, 2022	1,818.59
Additions during the year	561.71
Disposals	-
As at March 31, 2023	2,380.29
Amortisation	
As at April 01, 2022	1,128.69
Charge for the period	342.66
Disposals	-
As at March 31, 2023	1,471.35
Net block	
As at March 31, 2023	908.94
As at March 31, 2022	689.89

3.3 Right to use assets

(₹.in Lakhs)

Particulars	FY 22-23	FY 21-22
Opening Balance	248.60	193.42
Adjustment during the year	-	50.77
Additions during the year	11.44	127.28
Deletions during the year	(81.62)	-
Depreciation during the year	(44.66)	(122.87)
Closing Balance	133.76	248.60

Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022	
		Amortised Cost	Through Other Comprehensive Income	Total	Amortised Cost	Through Other Comprehensive Income
	Mutual Funds (as per 4.1)	-	-	49,287.05	49,287.05	-
	Other investments (as per 4.2)	631.03	-	631.03	384.61	-
(A)	Total	631.03	-	49,287.05	384.61	27,297.93
(i)	Investments outside India					
(ii)	Investments in India	631.03	-	49,287.05	384.61	27,297.93
(B)	Total	631.03	-	49,287.05	384.61	27,297.93
	(A) - (B)	-	-	-	-	-
	Less: Impairment Loss Allowance					
	Total	631.03	-	49,287.05	384.61	27,297.93

Particulars	31.03.2023	31.03.2022
4.1 Trade - Quoted - at fair value		
a) Investments in Mutual Funds; Corporate Bonds & MLDs		
Aditya Birla Sun Life Mutual Fund	-	7,932.21
ABSL crisil IBX AAA June 2023	2,004.47	-
Aditya Birla Housing Finance Ltd	2,146.32	-
Asirvad Micro Finance Limited	173.52	-
Kotak Equity Arbitrage Fund Growth	-	1,377.41
Baroda BNP Paribas Liquid Fund	2,513.98	-
Bharat Bond FOF	2,611.04	-
Edelweiss Broking Limited - MLD	2,499.47	-
Hinduja Leyland Finance Ltd - MLD	171.02	-
FedBank Financial Services Limited	1,104.89	-
Tata Arbitrage Fund	-	2,789.64
ICICI Prudential Equity Arbitrage Fund-205	-	2,072.54
Kotak Mahindra Investment Ltd	2,500.00	-
Kotak Mahindra Investment Ltd- IIFL	854.43	-
Kotak Equity Arbitrage Fund-Direct Growth-523	-	2,076.37
UTI-Arbitrage Fund-Direct Growth-914	-	2,591.47
HDFC Overnight Fund	-	8,073.69
IIFL Wealth Prime Ltd	2,495.47	-
Infina Finance Pvt Ltd	479.71	-
Kotak Mahindra Prime Ltd - Wealth Bonds	1,512.92	-
L & T Finance Ltd	5,054.93	-
Mahindra & Mahindra Financial Services Ltd - MLD	1,525.89	-
Muthoot Fincorp Ltd - MLD	114.86	-
Nippon India Overnight Fund	1,166.86	-
REC Ltd -MLD	457.09	-
Shriram City union Finance Ltd - MLD	116.88	-
Shriram Transport Finance Company Ltd	1,639.93	-
Shriram Transport finance MLD	4,383.45	-
Shriram City Union Finance Ltd	2,493.29	-
Shriram Housing Finance Ltd	1,517.72	-
Tata Cleantech Capital Limited-MLD	2,577.65	-
Tata Capital Housing Finance Ltd	2,058.42	-
Tata Capital Limited (Tipsons Financial Serv Pvt Ltd)	1,549.56	-
Tata International Limited Perpetual (Tipson)	1,000.50	-
Tata Capital Financial Services Ltd	1,572.07	-
Tata Capital Limited	990.69	-
Total investments at Fair Value	49,287.05	26,913.33

Particulars	31.03.2023	31.03.2022
4.1 Other Investments		
a) Other Equity Investments		
Investment in Four EF Renewables Private Limited	15.00	15.00
b) Other Preference Investments		
Investment in Four EF Renewables Private Limited	205.35	123.20
c) Total investments at Fair Value		
Investment in Four EF Renewables Private Limited	410.68	246.41
Total investments at Fair Value	631.03	384.61

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Investment in Equity Instrument- wholly owned Subsidiary company**

1. Investment in Neoanthem Life Sciences Private Limited, 1,50,000 equity shares of Rs. 10 each (FY2022: 150,000 equity shares of Rs. 10/- each), constitutes 100% of the capital of that company

Investment in Equity Instrument - Others

1. Investment in Four EF Renewables Private Limited, 205,338 equity shares of Rs. 100 each and 100 Equity shares of Rs.15/- each (FY2022: 123,203 equity shares of Rs. 100/- each)
2. Investment in Four EF Renewables Private Limited, 410,677 Preference shares of Rs. 100 each (FY2022: 246,406 equity shares of Rs. 100/- each)

5 Trade Receivables**a) Non-current**

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
Trade Receivables from Related parties	310.78	311.18
Total	310.78	311.18

Trade Receivables Ageing**(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good		-			310.78	310.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	310.78	310.78

Trade Receivables Ageing**(For Previous Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good		0.40			310.78	310.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	0.40	-	-	310.78	310.78
						311.18

b) Current

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
(i) Trade Receivables	27,406.78	32,619.45
Unsecured, considered doubtful		
(i) Doubtful Debtors- Credit Impaired	-	-
(ii) Less: Provision for doubtful trade receivables	-	-
Total	27,406.78	32,619.45

Anthem Biosciences Private Limited**Notes forming part of the financial statements****Trade Receivables Ageing
(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	27,387.08			17.00	2.71	27,406.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	27,387.08		-	17.00	2.71	27,406.78

**Trade Receivables Ageing
(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	32,490.87	64.22	55.19	9.09	0.08	32,619.45
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	32,490.87	64.22	55.19	9.09	0.08	32,619.45

ECL Model

Ind AS 109 requires an impairment assessment to be made for Trade Receivables on an Expected Credit Loss Model. For Trade Receivables.

Ind AS 109 permits a simplified approach of calculating only life time credit losses.

Considering the industry in which the company is operating and the gestation period of its projects, impairment assessment is made annually for the entire block of Trade Receivables and impairment losses are recognised for trade receivables on a case to case basis.

6) Loans & Advances									
Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022				
		Amortised Cost	Amortised Cost		Total	Amortised Cost	At Fair Value(₹.in Lakhs)		Total
Through Other Comprehensive Income	Through profit or loss						Through Other Comprehensive Income	Through profit or loss	
Loan to related party	478.60	-	-	478.60	477.39	-	-	-	477.39
Advances to related party	2,318.97	-	-	2,318.97	138.46	-	-	-	138.46
(A) Total	2,797.57	-	-	2,797.57	615.85	-	-	-	615.85
(i) Investments outside India	-	-	-	-	-	-	-	-	-
(ii) Investments in India	2,797.57	-	-	2,797.57	615.85	-	-	-	615.85
(B) Total	2,797.57	-	-	2,797.57	615.85	-	-	-	615.85
(A) - (B)	-	-	-	-	-	-	-	-	-
Less: Impairment Loss Allowance	-	-	-	-	-	-	-	-	-
Total	2,797.57	-	-	2,797.57	615.85	-	-	-	615.85

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

7 Other Financial Asset**a) Non- Current**

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Unsecured, considered good		
Staff advances	23.02	79.24
Security Deposits	437.77	352.85
Total	460.79	432.08

b) Current

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Unsecured, considered good		
Accrued interest	13.67	13.40
Staff advances-Current	8.95	15.58
Total	22.63	28.98

c) Fair Value Hierarchy

Particulars	Carrying value		Fair value	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Amortised cost				
(i) Loans	2,797.57	615.85	2,797.57	615.85
(ii) Other Investments	631.03	384.61	631.03	384.61
(iii) Trade Receivables	27,717.57	32,930.63	27,717.57	32,930.63
(iv) Other Financial Assets	483.42	461.06	483.42	461.06
(v) Cash and Cash Equivalents	34,279.34	34,886.52	34,279.34	34,886.52
Fair Value through Profit and Loss				
(i) Investments	49,287.05	26,913.33	49,287.05	26,913.33
Total Financial Assets	115,195.97	96,191.99	115,195.97	96,191.99

d) Fair Value Hierarchy

	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Units	49,287.05	0.00	0.00	49,287.05
Investment in Wholly Owned Subsidiary	15.00	0.00	0.00	15.00
Other Investments	616.03	0.00	0.00	616.03
Total	49,918.08	0.00	0.00	49,918.08

8 Deferred Tax Assets (Net)

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Deferred tax assets		
Deferred tax assets	1,593.78	1,386.99
Add: Adjustments during the year	897.06	206.79
Total	2,490.84	1,593.78

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

8.1 Components of deferred income tax assets and liabilities arising on account of temporary differences are:

	(₹.in Lakhs)	31.03.2023	31.03.2022
Deferred tax asset			
Expenditure disallowed under Income Tax Act, 1961		7,253.03	805.79
Prepaid rent written off		1.64	1.93
Property, plant and equipment		5,130.62	5,082.34
On OCI (Gratuity)		411.12	129.81
Significant financing component		188.46	685.31
Deferred Loan finance cost		7.81	7.81
Employee benefit expenses on staff loans		6.62	11.94
Interest on BIRAC Loan		44.78	50.02
Lease		55.03	145.72
		13,099.11	6,920.66
Deferred tax liability			
Interest income due to fair valuation of security deposits		1.68881	2.01
Interest income recognised on Staff loan		6.64	13.46
Notional interest income on loan to Associate company		6.32	6.23
Actuarial gain/loss (OCI)		-	18.43
Compound financial instruments		2.99	6.58
BIRAC Loan grant recognised		23.64	23.78
Lease		53.02	140.74
		94.31	211.23
Total		13,004.81	6,709.43

9 Tax Assets (Net)

	(₹.in Lakhs)	31.03.2023	31.03.2022
Particulars		31.03.2023	31.03.2022
Income Tax Refundable		137.49	137.30
Total		137.49	137.30

10 Other Non-current Assets

	(₹.in Lakhs)	31.03.2023	31.03.2022
Particulars		31.03.2023	31.03.2022
Un-secured Considered good			
(i) Capital advances		988.10	630.09
(ii) Prepaid Rent		(1.21)	0.43
(iii) Deferred Employees Benefit		2.50	7.04
(iv) Deferred Loan - Anthem Biopharma Private Limited		234.39	242.20
(v) Prepaid Expenses-long term		57.16	71.13
Total		1,280.93	950.89

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

11 Inventories

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
(i) Raw materials	10,283.61	3,784.51
(ii) Work in Progress	2,025.16	1,176.10
(iii) Finished goods	507.50	455.36
(iv) Goods in transit	125.36	407.03
Total	12,941.63	5,823.00

12 Cash and Cash Equivalents

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Balances with banks:		
(i) in current accounts	722.69	509.34
(ii) in deposit accounts	33,415.21	33,317.64
Cash in Hand:		
(i) Cash on hand	-	-
Total	34,137.90	33,826.98

13 Other Bank Balances

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Earmarked balances with Banks		
(i) Margin Money & Other Deposits	61.13	712.63
(ii) Debit balance in cash credit	80.31	346.90
Total	141.44	1,059.54

14 Other Current Assets

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Un-secured Considered good		
(i) Balances with other statutory authorities	7,411.54	7,900.97
(ii) Prepaid Expenses	194.22	250.18
(iii) Advances to Suppliers	311.35	181.99
(iv) Export Incentives Receivable	-	718.93
(v) Others Receivable	107.95	-
Total	8,025.05	9,052.08

17 Borrowings
a) Non-current

Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Amortised Cost	Through Other Comprehensive Income	Total	Amortised Cost	Through Other Comprehensive Income	Total
(a) Term Loans							
(i) Secured							
from Banks	8,100.00			8,100.00			-
from other parties	405.57			405.57	459.10		459.10
(ii) Unsecured							
from Banks	-			-	-		-
from Related parties	-			-	-		-
(b) Finance lease obligations							
Total	8,505.57			8,505.57	589.84		589.84
(A) Borrowings in India	8,505.57			8,505.57	589.84		589.84
Borrowings outside India	-			-	-		-
(B) Total	8,505.57			8,505.57	589.84		589.84
(A) - (B)	-			-	-		-

b) Current

Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Amortised Cost	Through Other Comprehensive Income	Total	Amortised Cost	Through Other Comprehensive Income	Total
(a) Term Loans							
(i) Secured							
from Banks	1,900.00			1,900.00			
from other parties	113.01			113.01	114.95		114.95
(ii) Unsecured							
from Banks	-			-	-		-
from Related parties	-			-	-		-
(b) Finance lease obligations							
(C) Cash Credit	874.60			874.60	2,749.30		2,749.30
(A) Total	2,887.61			2,887.61	2,959.26		2,959.26
Borrowings in India	-			2,887.61	2,959.26		2,959.26
Borrowings outside India	-			-	-		-
(B) Total	2,887.61			2,887.61	2,959.26		2,959.26
(A) - (B)	-			-	-		-

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

Break up of Loans- Borrowings with Repayment Terms					
Loan Type	Loan Name	Repayment Terms	Total Outstanding (₹.in Lakhs)	Total Outstanding (₹.in Lakhs)	
				(For Current Reporting period)	(the previous reporting period)
Term Loan-Project	Citi Bank	20 Quarterly Instalments	9,000		-
Term Loan-Project	Biotechnology Industry Research Assistance Council	10 Years #	594.89		697.30
Cash credit	Citi Bank	Yearly Renewal	1,874.60		1,010.01
PCFC	Citi Bank	Yearly Renewal	-		1,739.29
Vehicle Loan	HDFC Bank	60 EMI *	-		2.08
Vehicle Loan	Kotak Bank	60 EMI *	-		2.10
Vehicle Loan	Federal Bank	60 EMI *	-		221.56

* Prepayment in FY23.

Excluding IND AS effect

Terms of Security**From Banks**

17.1 Term loan from BIRAC (Biotechnology Industry Research Assistance Council), along with interest is secured by Equipment and Machinery which is procured from the sanctioned amount and carry an interest rate of 2.00% p.a (concessional rate)

17.2 Cash Credit and other fund and non fund facilities from Citibank & HDFC Bank are secured by the first charge on pari-passu basis on all inventories and receivables, Demand promissory note and letter of continuity. These facilities are payable on demand and carry an interest rate (re-set) in the range of 7.55% to 8.50% p.a.

17.3 Term loan from Citi Bank is secured by an exclusive charge on Movebale fixed assets and carry an interest rate which is equivalent to 3 Months T bill+125 bps.

Terms of security and repayment

- Mortgage /charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future;
- Charge/assignment of revenues receivables
- Charge over /assignment of the rights, titles and interests of the company in to and in respect of all project agreements (in accordance with concession agreement).
- Assignment of insurance policies, interest, benefits, claims, guarantees ,performance bonds and liquidated damages;
- The aforesaid charge will rank Pari - Passu with the mortgages and charges created/to be created in favour of participating institutions/banks.

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

17.4 Obligations towards finance leases

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Minimum Lease payments		
(i) Not later than one year	39.77	131.21
(ii) Later than one year but not later than five years	83.07	127.42
Total	122.84	258.63

18 Trade Payables

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Current		
(i) Dues to micro, small and medium enterprises	-	15.98
(ii) Dues to others	6,058.22	5,593.45
(iii) Other Creditors	1,133.85	862.32
Total	7,192.07	6,471.76

Trade Payables Ageing

(For Current Reporting period)

Loan Type	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
MSME	-	-	-	-	-
Others	6804.42	232.34	84.87	72.50	7,192.07
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	6,804.42	232.34	84.87	72.50	7,192.07

Trade Payables Ageing

(For Current Reporting period)

Loan Type	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
MSME	15.98	-	-	-	15.98
Others	6288.56	92.93	2.50	71.78	6,455.77
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	6,304.54	92.93	2.50	71.78	6,471.76

19 Other Financial Liabilities

Non Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Lease Liability	76.44	113.20
Liability Component of Compound Financial Instruments	-	22.56
Performance guarantee deposit	616.02	369.61
Total	692.45	505.37

Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Retention money	#REF!	236.24
Lease Liability	32.22	117.22
Total	#REF!	353.46

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

Note - During the year, the Company made a reassessment of its lease agreements in order to ascertain whether the agreements meet the definition of a lease. The net impact of these changes has been transferred to Retained Earnings.

Fair Value Hierarchy

(₹.in Lakhs)

Particulars	Carrying value as at		Fair value as at	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Amortised cost				
(i) Borrowings	11,393.18	3,549.09	11,393.18	3,549.09
(ii) Trade Payables	7,192.07	6,471.76	7,192.07	6,471.76
(iii) Other financial liabilities	1,174.47	858.83	1,174.47	858.83
Total Financial Liabilities	19,759.71	10,879.68	19,759.71	10,879.68

20 Provisions**a) Non Current**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Provision for employee benefits		
(i) Gratuity Payable	583.10	523.21
(ii) Leave encashment	311.18	282.58
Total	894.28	805.79

(i) Movement in provisions

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
a) Provision for Gratuity		
Opening Balance	523.21	479.66
Additional Provisions made	192.45	132.55
Provisions released (paid)	132.55	89.00
Closing Balance	583.10	523.21
b) Leave Encashment		
Opening Balance	282.58	260.93
Additional Provisions made	218.72	193.46
Provisions released (paid)	190.11	171.81
Closing Balance	311.18	282.58

b) Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Dividend	-	0.12
Total	-	0.12

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

21 Other Liabilities**a) Non- Current**

Particulars	31.03.2023	31.03.2022
Endo Global Biologicals - significant financing component	0.00	1,998.93
Deferred Grant	141.76	166.38
Total	141.76	2,165.31

b) Current

Particulars	31.03.2023	31.03.2022
Other accrued liabilities	1,877.63	1,913.07
Advances from customers	140.01	5,789.13
Capital creditors	1,443.73	2,637.45
Dues to statutory/government authorities	256.05	241.87
Grants received in advance	38.52	-
Total	3,755.95	10,581.53

22 Current Tax Liability (Net)

Particulars	31.03.2023	31.03.2022
Current		
Income Tax Provision	12,088.35	14,238.89
Less: Advance tax paid	11,500.00	12,300.00
Total	588.35	1,938.89



Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

23 Revenue From Operations

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Sale of products & services		
Domestic sales	21,302.43	23,215.28
Export sales	84,390.00	99,910.32
Total	105,692.43	123,125.60

23.1 Change in Contract Liabilities:

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Balance at the beginning of the year	1,998.93	1,313.62
Add: Interest expense during the year	188.46	685.31
Less: Invoices raised during the year	-	-
Balance at the end of the year	2,187.39	1,998.93

Expected revenue recognition from remaining performance obligations

-within one year	2,187.39	1,998.93
-more than one year	-	-

23.2 Performance Obligation

In relation to information about company's performance obligation, the entity satisfies the performance obligation at a point in time.

24 Other Income

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest from deposits & advances	2,949.56	957.57
Other income	528.43	292.70
Capital Gain and Dividend	1,487.33	937.66
Fair value Gain-Mutual Fund	(797.61)	422.16
Forex gain (net)	1,279.51	1,332.57
Grant received	98.11	115.85
MEIS Duty Credit Scripts	-	835.11
Fair value SFC written back	2,187.39	-
Lease rent received	4.44	4.44
Total	7,737.17	4,898.05

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

25 Cost of materials consumed

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening stock	3,784.51	1,534.74
Add: Chemicals and reagents	41,328.00	43,279.54
	45,112.51	44,814.28
Less: Closing stock	10,283.61	3,784.51
Total	34,828.89	41,029.77

26 Change in Work in Progress

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening stock		
Finished goods	455.36	358.57
Work-in-progress	1,176.10	1,135.54
	1,631.46	1,494.11
Less: Closing stock		
Finished goods	507.50	455.36
Work-in-progress	2,025.16	1,176.10
Total	(901.20)	(137.35)

27 Employee Benefits Expense

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Salaries and allowances	13,945.41	12,443.43
Contribution to provident and other funds	711.08	646.83
Staff welfare	660.58	649.19
Employees Benefit Expense	6.62	11.94
Total	15,323.70	13,751.39

28 Finance Costs

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest Expense on		
(i) Interest - Term loans	355.17	182.84
(ii) Interest - Cash credit	43.68	30.69
(iii) Interest - Finance lease	18.58	23.53
(iv) Interest - IND AS lease	10.37	22.86
(iv) Bank charges	51.25	62.80
(v) Interest on Endo Global-Significant Financing Component	188.46	685.31
(vi) Interest on MSME	-	0.50
Total	667.52	1,008.54

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****29 Administrative Expenses**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Advertisement and business promotion	53.53	11.68
Auditors' remuneration	20.00	16.50
Amortisation of deferred loan (ABPPL)	7.81	7.81
Commission expenses	415.71	430.52
Communication expenses	80.75	88.06
Corporate social responsibility expenses	601.08	81.72
Donation	2.50	7.50
Freight and forwarding charges	514.96	531.60
Health and safety expenses	286.34	377.73
Insurance	349.17	299.99
Interest on statutory dues	195.90	210.29
Internal Audit Fees	7.50	5.50
Legal and professional fees	217.72	101.31
Loss from sale of assets	0.28	18.41
Membership and subscription	68.75	70.43
Miscellaneous expenses	127.22	18.52
Fair value measurement expenses	46.41	51.28
Pollution control expenses	490.27	338.88
Power and fuel	3,894.63	3,631.87
Printing and stationery	247.19	162.80
Processing charges	295.69	390.54
R & D expenses	2,586.13	2,478.80
R & M - Building	64.43	43.32
R & M - Others	523.83	590.20
R & M - Plant and machinery	1,227.02	1,172.92
Rates and taxes	638.10	488.22
Rent	25.90	24.01
Security charges	151.25	150.82
Training and recruitment expenses	5.37	7.69
Travelling and conveyance	397.60	127.52
Total	13,543.06	11,936.45

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

29.1 As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

29 Auditor's remuneration break-up

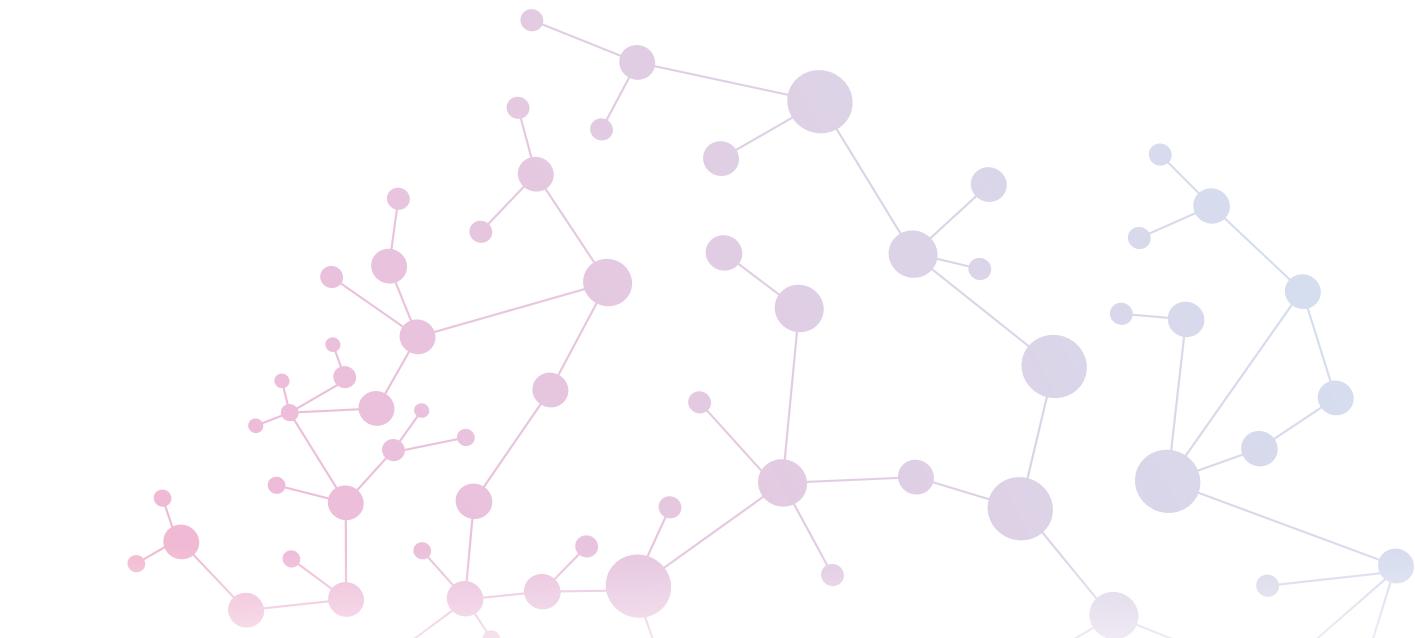
Particulars	31.03.2023	31.03.2022
(i) Statutory audit fees	20.00	16.50
(ii) Certification and other reimbursement	2.62	1.92
(iii) Internal audit fees	7.50	5.50
Total	30.12	23.92

30 Tax Expense

Particulars	31.03.2023	31.03.2022
A - Current Tax		
Current tax on profits for the year	12,004.84	14,238.89
Total	12,004.84	14,238.89

30.1 Reconciliation of tax expenses to accounting profit

Particulars	31.03.2023	31.03.2022
Accounting profit before tax	49,778.27	54,659.23
Tax @ 25.168%	12,528.20	13,756.63
Adjustments		
Expenses that are disallowed as per Income Tax Act	7,253.03	4,260.35
Expenses that are specifically allowed as per the Income Tax Act	(6,267.52)	(4,660.49)
Short term Capital gains	461.73	379.80
Long term Capital gains	1,025.60	557.86
Deduction under section 80JJA	(50.55)	(55.27)
Tax Expenses recognised in the statement of profit and loss	14,950.49	14,238.89
Income tax credit/(expense) recognised in Other Comprehensive Income:	103.48	28.03
Tax effect on actuarial gains/losses on defined benefit obligations	103.48	28.03



Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****31 Other comprehensive income**

Particulars	31.03.2023	31.03.2022	(₹.in Lakhs)
Items that will not be reclassified to profit or loss			
(ii) Actuarial gains & losses	(27.92)	(111.38)	
(iii) Deferred tax	103.48	28.03	
Total	75.56	(83.34)	

32 Research and development expenditure

Expenditure on research activities are recognized as expenses and charged to Statement of profit and loss. Development costs of products are also charged to the Statement of profit and loss unless a product's technological feasibility has been established and the ability of the asset to generate future economic benefits, in such case expenditure is capitalized. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Assets and Intangible Assets. During the year, the below mentioned expenditure is incurred towards research and development:

Particulars	31.03.2023	31.03.2022	(₹.in Lakhs)
Salaries and allowances	1,056.26	654.19	
Consumables	1,461.84	1,650.51	
Electricity expenses	63.17	64.66	
Other expenses	4.86	109.43	
Total expenses charged to statement of profit and loss	2,586.13	2,478.80	

33 Earnings per share**For the year ended**

Particulars	31.03.2023		31.03.2022	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	5,049,352	5,049,626	8,484,581	8,485,047
Weighted no of equity shares issued during the year	230,839,950	230,839,950	284,481	284,481
Weighted average number of equity shares for calculation of earnings per share	235,889,302	235,889,577	8,769,062	8,769,528

33(a) Extraordinary Income

During the financial year 2022-23, company has forfeited the outstanding advance money received to the extent of Rs. 61.80 crores, from an overseas customer, which was due to pre-mature termination of the supply contract by the customer. Based on mutual consent between both the parties, company has no obligation to re-pay the said forfeited money to the overseas customer.

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Anthem Biosciences Private Limited****Notes forming part of the consolidated financial statements****34 Employee benefit expenses**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
(i) Salaries and Wages	13,945.41	12,443.43
(ii) Contribution to provident and other funds*	711.08	646.83
(iii) Staff training and welfare expenses	660.58	649.19
(iv) Employee benefit expenses	6.62	11.94
Total	15,323.70	13,751.39

*Includes contribution to defined contribution plan for the year ended March 31, 2023 Rs.411.16 lacs (for the year ended March 31, 2022: Rs.326.00 lacs)

Amount recognized in the statement of profit and loss in respect of gratuity and leave encashment cost

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Present value of projected benefit obligation	1,042.12	909.72	311.18	282.58
(ii) Service cost	130.76	121.05	56.03	51.61
(iii) Net interest on net defined liability/(asset)	33.77	29.94	13.86	12.04
(iv) Re-measurement - actuarial (gain)/loss recognised in OCI	27.92	(18.43)	148.79	129.81
Net present value of projected benefit obligation	1,234.56	1,042.28	529.86	476.03
(i) Discount rate	7.53%	7.39%	7.53%	7.39%
(ii) Salary increase	6.00%	6.00%	6.00%	6.00%

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change in projected benefit obligations				
(i) Obligations at the beginning of the year	909.72	795.60	282.58	260.93
(ii) Service cost	130.76	121.05	56.03	51.61
(iii) Interest expense	63.89	53.27	13.86	12.04
(iv) Benefits settled	(90.25)	(42.52)	(190.07)	(171.81)
(v) Actuarial (gain)/loss	27.99	(17.68)	148.79	129.81
Obligations at end of the year	1,042.12	909.72	311.18	282.58

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Bifurcation of present value of obligations at the end of the valuation period as per schedule III of the Companies Act, 2013**

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Current liabilities	247.07	203.30	108.39	94.89
(ii) Non-Current liabilities	795.05	706.42	202.79	187.68

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change in plan assets				
(i) Plan assets at the beginning of the year, at fair value	386.51	315.95	-	-
(ii) Interest income on plan assets	30.13	23.34	-	-
(iii) Re-measurement - actuarial gain/ (loss)	0.07	0.75	-	-
(iv) Benefit payments from plan assets	(90.25)	(42.52)	-	-
(v) Contributions from employers	132.55	89.00	190.07	171.81
(vi) Benefits settled	-	-	(190.07)	(171.81)
Plan assets at the end of the year at fair value	459.01	386.51	-	-

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Experience adjustment on plan liabilities	31.38	2.01	149.24	132.10
Percentage of opening plan liabilities	3.45%	0.25%	52.81%	50.63%
(ii) Experience adjustment on plan assets	0.07	0.75	-	-
Percentage of opening plan assets	0.02%	0.24%	-	-

Maturity profile of defined benefit obligation:

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Year 1	247.78	203.30	108.39	94.89
Year 2	201.57	162.63	74.55	65.52
Year 3	184.14	146.88	57.04	49.19
Year 4	145.72	136.79	40.17	38.43
Year 5	120.44	107.56	28.10	27.43
Next 5 year Payouts	522.71	310.84	72.25	57.05

The weighted average of the defined benefit obligation for gratuity is 4.22 as at 31 March 2023

The weighted average of the defined benefit obligation for leave encashment is 3.01 as at 31 March 2023

35 Disclosure with respect to Ind AS 116 - Leases**Information about Leases Assets for which the Company is a lessee is presented below:**

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	248.60	193.42
Additions	11.44	127.28
Adjustments during the year	0.00	50.77
Deletions	(81.62)	0.00
Depreciation*	-44.66	-122.87
Balance as at end of the year	133.76	248.60

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in Statement of Profit and Loss.

The changes/movement in Lease Liabilities of the Company are as follows:

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	230.43	236.12
Additions	13.98	127.28
Adjustments during the year	0.00	-15.08
Deletions	-93.09	
Payment of lease liabilities	-53.02	-140.74
Accreditation of interest	10.37	22.86
Balance as at end of the year	108.66	230.43
Current Liabilities	32.22	117.21
Non-Current Liabilities	76.44	113.21
Total cash outflow for leases	53.02	140.74

The table below provides details regarding amounts recognised in the Standalone Statement of Profit and Loss:

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses relating to short-term leases and/or leases of low-value items		
Interest on lease liabilities	10.37	22.86
Depreciation expense	44.66	122.87
Total	55.03	145.72

Contractual maturities of Lease Liabilities on undiscounted basis

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	39.77	131.21
One to five years	83.07	127.42
Total	122.84	258.64

32 Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to The Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. 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 derivative for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

- (a) Credit risk: Credit risk is the risk of financial loss to The Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.
- (b) Trade and other receivables: The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.
- (c) Investments: The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.
- (d) Liquidity risk: Liquidity risk is the risk that The Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Particulars	As at March 31, 2023	As at March 31, 2022
Cash & cash equivalents	34,143.25	33,830.75
Investments in mutual funds (quoted)	49,287.05	26,913.33

Contractual maturities of significant financial liabilities as at

(₹.in Lakhs)

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings	2,887.61	9,618.84	12,506.45
Lease Liabilities	32.22	76.44	108.66
Trade payables and accrued expenses	7,194.13	-	7,194.13
Other Financial liabilities	449.79	616.02	1,065.81

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings	2,959.26	589.84	3,549.09
Lease Liabilities	117.22	113.20	230.42
Trade payables and accrued expenses	6,484.12	-	6,484.12
Other Financial liabilities	236.24	392.17	628.41

(e) Foreign currency risk:

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. Dollars). A significant portion of The Company's revenues are in US Dollars while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, The Company's revenues measured in Rupees may decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has an internal committee which meets on a periodic basis to formulate the strategy for foreign currency risk management. When necessary, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

(f) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to The Company's debt obligations with floating interest rates and investments. The Company's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

37 Capital Management Structure

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The capital structure is as follows:

The Company is predominantly equity financed which is evident from the capital structure table. Further, The Company has always been a net cash Group with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total equity attributable to the equity share holders of the group	174,161.83	135,546.22
As percentage of the total capital	100%	100%
current loans & borrowings	2,887.61	2,959.26
Non current loans & borrowings	8,505.57	589.84
Total loans & borrowings	11,393.18	3,549.09
As percentage of the total capital	6.54%	3%
Total capital (loans and borrowings and equity)	185,555.00	139,095.32

(₹.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Commitments		
Estimated amount of expected capital commitments	13,563	24,968
Contingent liabilities		
<u>Claims against the company not acknowledged as debts:</u>		
Income tax - AY 2015-16 - CIT Appeals 1, Bengaluru	326	326
Income tax - AY 2017-18 - ITAT , Bengaluru	55	55
Income tax - AY 2020-21 - CIT (A) Bengaluru	51	-
Service Tax-Appeal-FY: 2011-2015	12	12
<u>Others:</u>		
Letter of credit	286	47
Bank guarantees	70	70
<u>Corporate guarantees:</u>		
Guarantees given to Federal Bank on behalf of wholly owned subsidiary & associate company for securing financial assistances in the form for term loan and working capital loans.	21,800	100

39 Segment information:

Segments are identified in line with Indian Accounting Standard (Ind AS) 108 "Operating Segments", taking into consideration the internal organization and business activities in which it engages and the economic environments in which it operates and separate financial information availability. Company has identified two business segments viz, Contract Manufacturing; Development & Discovery Services and Speciality Ingredients (product business) during the year. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

(₹.in Lakhs)		
Particulars	Year ended March 31,2023	Year ended March 31,2022
Segmental Performance		
Business Vertical:		
Contract Manufacturing	88,379	110,233.48
R&D Services	17,314	12,903.22
Total	105,693	123,137
Revenue wise		
Export	84,122	99,950
Domestic	21,570	23,186
Total	105,693	123,137
Geography wise sales		
North America (USA)	49,743	51,771
Europe	30,620	45,959
India	21,580	23,186
Rest of asia	3,019	1,431
Others	731	789
Total	105,693	123,137

40 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. During the financial year 2022-23 the company has spent below amounts towards The Akshaya Patra Foundation for serving mid day meals; The Art & Photography Foundation; Sri Sringeri Sharada Peetham Charitable Trust; Janseva Trust Param; Construction of schools at Rampura, Anumanahalli & Aadnakupee Urdu School, Government primary school at Hebbidarametlu; Government Primary School-Kitchen & Dinning hall at Jakkasandra karnataka and construction of government higher primary school at Bannikuppe etc. Also company has undertaken various CSR initiatives to construct more schools and other social welfare measures.

(₹.in Lakhs)		
Particulars	Year ended March 31,2023	Year ended March 31,2022
Gross amount required to be spent during the year	688.56	399.96
Amount spent during the year	601.08	81.72
Amount spent in local area	594.08	81.72
Shortfall at the end of the year / period.	87.48	318.25
Total of previous years shortfall.	538.34	450.86

As on March 31, 2023, a cumulative amount of Rs.538.34 lakhs is unspent. No provision towards the CSR expenditure has been made in the books of account.

Particulars	As at March 31, 2023					
	Unhedged		Hedged through forward or derivative		Natural Hedge	
	</=1 year	>1 year	</=1 year	>1 year	</=1 year	>1 Year
FCY- Receivables (A)						
Exports	19,551.74	-	-	-	-	-
Loans to JV/WOS	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total (A)	19,551.74	-	-	-	-	-
FCY-Payables (B)						
Imports	2,291.43	-	-	-	-	-
Trade credits	-	-	-	-	-	-
ECBs	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-
Total (B)	2,291.43	-	-	-	-	-
Total Exposure (A-B)/(B-A)	17,260.31	-	-	-	-	-

42 Trade Payables and Micro, Small and medium Enterprises

(₹.in Lakhs)

Particulars		As at March 31,2023	As at March 31,2022
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	0.50
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	0.50
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	2.32
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above actually paid	-	-

43 Related Parties

Name of the related party	Nature of relationship with the company	Country of Incorporation/Residential Status
Ajay Bhardwaj	Managing Director	Indian
Ravindra KC	Whole time director	Indian
Ganesh Sambasivam	Whole time director	Indian
Ramakrishnan K	Company Secretary	Indian
Gawir Baig	Vice President cum CFO	Indian
Ishaan Bhardwaj	Manager-I	Indian
Krithika Ganesh	Dp.Manager-II	Indian
Keerthana Ravindra	Dp.Manager-II	Indian
Anthem Biopharma Pvt Ltd	Associate	India
Neoanthem Lifesciences Pvt Ltd	Wholly Owned Subsidiary	India

43.1 Transactions with above related parties

(₹.in Lakhs)

Name of the related party	Nature of transaction	Year Ended	
		March 31,2023	March 31,2022
Ishaan Bhardwaj	Remuneration paid	43.54	28.60
Keerthana Ravindra	Remuneration paid	8.11	-
Krithika Ganesh	Remuneration paid	9.70	5.07
Anthem Biopharma Pvt Ltd	Business support services	7.53	8.69
	Interest income (Interest charged on loans given)	60.99	51.38
Neoanthem Lifesciences Pvt Ltd	Interest income (Interest charged on loans & advances given)	39.68	-

43.2 Balances receivable from related parties are as follows

(₹.in Lakhs)

Name of the related party	Classification	Year Ended	
		March 31,2023	March 31,2022
Anthem Biopharma Pvt Ltd	For sale of goods & services	-	310.78
	For rendering of services	-	0.40
	For loans and advances given	719.50	724.62
Neoanthem Lifesciences Pvt Ltd	For loans and advances given	2,318.97	138.46

44 Remuneration paid to key management personnel

(₹.in Lakhs)

Name	Designation	Remuneration paid for the Year ended	
		March 31,2023	March 31,2022
Ajay Bhardwaj	Managing Director	467.36	434.86
Ravindra K C	Whole Time Director	471.40	434.86
Ganesh Sambasivam	Whole Time Director	471.55	434.86
Ramakrishnan K	Company Secretary	45.00	64.65
Gawir Baig	Vice President cum CFO	104.14	-

45 Key financial ratios

Particulars	Figures for the current reporting period	Figures for the previous reporting period	Reason if the variance is more than 25%
1. Current Ratio	8.85	4.92	Reduction in borrowings
2. Debt - Equity Ratio	0.07	0.03	Reduction in borrowings
3. Debt Service Coverage Ratio	59.32	7.66	Reduction in borrowings
4. Return on Equity Ratio	0.25	0.39	Due to decrease in net profit
5. Inventory turnover ratio	11.27	26.40	Due to increase in inventory
6. Trade Receivables turnover ratio	3.52	4.24	NA
7. Trade payables turnover ratio	6.05	6.11	NA
8. Net capital turnover ratio	1.04	2.04	Due to decrease in sales
9. Net profit ratio (Net Profit/Net Sales)	0.37	0.33	
10. Return on Capital employed (EBIT/Capital Employed)	0.29	0.41	Decrease in revenue and profit

46 Other Statutory Disclosures

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) No Relationship or Transactions with any struck off companies during the year.
- (v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Accounting Policies - Standalone Financial Statements

ANTHEM BIOSCIENCES PRIVATE LIMITED

CIN: U24233KA2006PTC039703

Notes forming part of the Audited Financial Statements (standalone) for the year ended March 31,2023

1. Corporate information:

Anthem Biosciences Private Limited has been set up as a Life sciences/ Biotechnology based venture specialising in the manufacture of catalytic preparation, other organic compounds such as speciality organic molecules, biologically active peptides etc., which are high-value products used in drug, agrochemical and speciality chemicals industries. The Company has received the letter of permission under the 100% EOU scheme for manufacture of catalytic preparation and other organic compounds from the office of the Development Commissioner, CSEZ, sub office in Karnataka, vide letter No. 1/80/2006:PER:EOU:KR:CSEZ/106 dated 19th January 2007, which is further extended vide letter No : 1/80/2006:EOU:CSEZ/1276 dated 11th July 2022 valid till 10th July 2027 . In accordance with the said letter of permission, the facilities at the factory located at Bommasandra Industrial Area are with its best in class infrastructure which includes a modern c-GMP kilo lab and a versatile GMP pilot plant. Anthem Biosciences has the capacity to do GMP synthesis from milligram to kilogram and multi-kilogram scale. The projects results are initially transmitted by means of reports followed by the manufacture of small sample quantities that are sent to clients for testing purpose. The Company has received approval from Department of Scientific and Industrial Research Technology for in-house research and development activities, beginning 1 April 2011 to 31 March 2017 and further renewed till 31.03.2024 vide approval letter No. :F.No.TU/IV-RD/2954/2021 dated 18th March 2021.

2. Significant accounting policies:

A. Basis of preparation and presentation:

a. Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the companies act, 2013.-

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These standalone financial statements were authorized for issuance by the Company's Board of Directors on their meeting held on September 06, 2023.

B. Basis of measurement:

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

Defined benefit and other long-term employee benefits.

C. Use of estimates and judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes.

D. Fair valuation:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

i. Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii. Foreign currency transactions and balances:

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

iii. Financial instruments:

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: nonderivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a. Non-derivative financial assets:

i. Financial assets at amortized cost:

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets. Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

ii. **Financial assets at FVTPL:**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

b. **Non-derivative financial liabilities:**

i. **Financial liabilities at amortized cost:**

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

B. **Property, plant and equipment:**

a. **Recognition and measurement:**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b. **Depreciation:**

The Company depreciates property, plant and equipment over the estimated useful life on a written down value basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful Life (years)
Land	0
Roads	5-10
Buildings	5-60
Plant and machinery	15-20
Electrical installations	10
Furniture and fittings	10
Laboratory equipments	10
Office equipment	5
Pipelines	15
Computers and DP units	3-6
Motor vehicles	8

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress respectively.

Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a written down value basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category	Useful Life
Software licenses	Earlier of license period or 1-3 years

C. 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.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate, if that rate can be readily determined. If that rate cannot be readily determined, The Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where The Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the

measurement of the lease liability, The Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

D. Impairment:

a. Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk.

Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, a company is required to consider:

- i. All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the company is required to use the remaining contractual term of the financial instrument.
- ii. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortized cost, contractual revenue receivable. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b. Non-financial assets:

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

F. Employee benefits:

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident Fund:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the employee renders the related service and the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

b. Gratuity:

For the purpose of administration of gratuity of the employees of the Company, the Company has established Anthem Biosciences Private Limited Employees Gratuity Trust. In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

Compensated absences:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

H. Revenue :

a. Sale of goods & services:

Company earns revenue primarily from sale of goods, providing scientific & technical consultancy services. Revenue is recognised upon transfer of control of promised products or services (performance obligation) to the customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

The company adjusts the promised amount of consideration for the effects of time value of money if the timing of payments agreed to by the parties to the contract provides the customer with a significant benefit of financing the transfer of goods or services to the customer. The impact of the time value of money is shown as Contract Liability.

b. Rental income:

Rental income is recognised in statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

c. Dividend & interest income :

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

I. Finance expense:

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

J. Income tax:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a. Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period.

The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b. Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

K. Earnings per share (EPS):

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

L. Research and development costs :

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

M. Government grants:

Grants from the government are recognised when there is reasonable assurance that:

- i. the Company will comply with the conditions attached to them; and
- ii. the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When loan or similar assistance is provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

N. Inventories:

Inventories consists of (a) Raw materials, (b) Work-in-progress and (d) Finished goods. Inventories are carried at lower of cost and net realizable value. The cost of raw materials is determined on a moving average basis and/specific cost wherever applicable. Cost of work in progress & finished goods produced includes direct material, labour cost and a proportion of manufacturing overheads.

Previous year's figures have been re-grouped or re-classified to conform to the present year's presentation.

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 31,2023, the "MCA" amended the Companies [Indian Accounting Standards] Rule 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rule, 2023 , applicable from April 1, 2023, as below.

Ind AS 1- Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements

Ind AS 12-Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Since the effective date for adoption of the above amendments is annual periods beginning on or after 1st April 2023, there is no impact on the financial statements for the year ended 31st March 2023.

Independent Auditor's Report (Consolidated)

Independent Auditor's Report

to the Members of Anthem Biosciences Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of Anthem Biosciences Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind 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 ("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 Consolidated State of Affairs of the Company as at March 31, 2023, the Consolidated profit, the Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows for the year ended.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Board of Directors' Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position and financial performance, of the group in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of the companies included in the group are responsible for overseeing the financial reporting process of each company.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there no key audit matters to be reported for the year 2022-23.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 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 internal financial controls with reference to the consolidated financial statements 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements..
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiary which are incorporated in India, as on 31 March 2023, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'
- g. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
 - iv. The management has represented in Note 47(ii), that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India 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 from or on behalf of the Ultimate Beneficiaries.
 - v. The management has represented in Note 47(i), that, to the best of its knowledge and belief, that no funds have been advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- i. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. 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.
- vii. The Group has neither declared nor paid interim dividend or final dividend during the year during the year.. Therefore, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **K.P.Rao & Co.**

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in report on other legal and regulatory requirements Section of our report of even date)

There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxii) of the Order is not applicable to the Holding Company.

for **K.P.Rao & Co.**

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023



Annexure B to Independent Auditors' Report On The Consolidated Financial Statements

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

Opinion

In conjunction with our audit of the consolidated financial statements of Anthem Biosciences Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the holding company and such Companies incorporated in India which are its subsidiary company, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note of Internal Financial Controls With reference to consolidated financial statements issued by the Institute of Chartered Accountants of India. However, the existing policies, systems, procedures and internal controls followed by the Holding Company have to be completely and appropriately documented.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to consolidated financial statements ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 the Companies Act, 2013 ('the Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting in the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. This includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii. 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
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **K.P.Rao & Co.**

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023



Consolidated Financial Statements

Consolidated Balance Sheet as at March 31, 2023		Note	As at 31.03.2023	(₹.in Lakhs)
PARTICULARS				
I ASSETS				
1) Non-current assets				
a) Property, plant and equipment	3	43,846.54	31,962.51	
b) Right to use assets (IND AS)	3.3	133.76	248.60	
c) Capital work-in-progress	3.1	16,407.84	15,382.94	
d) Other Intangible assets	3.2	908.94	689.89	
e) Financial Assets				
i) Investment	4.2	616.03	369.61	
ii) Trade receivables	5	310.78	311.18	
iii) Loans & Advances	6	478.60	477.39	
iv) Other Financial Asset	7	460.79	432.08	
f) Deferred tax assets (net)	8	2,490.84	1,593.78	
g) Non-Current tax assets (net)	9	137.49	137.30	
h) Other non-current assets	10	3,337.48	950.89	
Total Non-Current assets		69,129.08	52,556.17	
2) Current assets				
a) Inventories	11	12,941.63	5,823.00	
b) Financial assets				
i) Investment	4.1	49,287.05	26,913.33	
ii) Trade receivables	5	27,406.78	32,619.45	
iii) Cash and cash equivalents	12	34,143.25	33,830.75	
iv) Bank balances, other than (iii) above	13	141.44	1,059.54	
v) Other Financial Asset	7	22.63	28.98	
c) Other current assets	14	8,373.92	9,055.49	
Total Current assets		132,316.71	109,330.53	
TOTAL ASSETS				
		201,445.80	161,886.70	
II EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital	15	11,409.74	877.63	
b) Other equity	16	162,657.14	134,622.24	
Total Equity		174,066.87	135,499.87	
Liabilities				
1) Non-current liabilities				
a) Financial liabilities				
i) Lease liabilities	19	76.44	113.20	
ii) Borrowings	17	9,618.84	589.84	
iii) Other financial liabilities	19	616.02	392.17	
b) Provisions	20	894.28	805.79	
c) Other non-current liabilities	21	141.76	2,165.31	
Total non-current liabilities		11,347.34	4,066.31	
2) Current liabilities				
a) Financial liabilities				
i) Lease liabilities	19	32.22	117.22	
ii) Borrowings	17	2,887.61	2,959.26	
iii) Trade Payables	18			
(a) total outstanding dues of Micro enterprises & small enterprises			15.98	
(b) total outstanding dues to other than Micro enterprises & small enterprises			7,194.13	6,468.14
iii) Other financial liabilities	19	449.79	236.24	
b) Provisions	20	-	0.12	
c) Other current liabilities	21	4,879.49	10,584.68	
d) Current Tax Liabilities (net)	22	588.35	1,938.89	
Total current liabilities		16,031.58	22,320.52	
TOTAL EQUITY AND LIABILITIES		201,445.80	161,886.70	
Corporate information and Significant accounting policies.		1&2		

As per our report of even date attached
For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 0031355

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Consolidated Statement of Profit and Loss for the period ending on March 31, 2023			(₹.in Lakhs)	
	PARTICULARS	Note	Year Ended 31.03.2023	Year Ended 31.03.2022
I	Gross Revenue from Operations	23	105,692.43	123,125.60
II	Other Income	24	7,706.85	4,898.05
III	Total Revenue (I + II)		113,399.27	128,023.66
IV	Expenses			
	Cost of materials consumed	25	34,828.89	41,029.77
	Change in Work in Progress	26	(901.20)	(137.35)
	Employee benefits expense	27	15,323.70	13,751.39
	Finance costs	28	668.45	1,008.63
	Depreciation and amortization expense	3	6,369.60	5,775.64
	Other expenses	29	13,560.30	11,981.50
	Total expenses (IV)		69,849.75	73,409.57
V	Profit/(Loss) before exceptional items and tax (III-IV)		43,549.53	54,614.09
VI	Exceptional & Extra Ordinary items	33a	6,180.24	-
VII	Profit/(Loss) before tax (V+VI)		49,729.77	54,614.09
VIII	Tax expense	30		
1)	Current tax		12,004.84	14,238.89
2)	Deferred tax		(793.58)	(178.76)
			11,211.26	14,060.14
IX	Profit/(Loss) for the year (VII-VIII)		38,518.51	40,553.95
X	Other comprehensive income/(loss)			
a)	Items that will not be reclassified to profit or loss	31		
	Remeasurements of the defined benefit plans		(27.92)	(111.38)
	Deferred Tax on above items		103.48	28.03
b)	Items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit(Loss) and Other Comprehensive Income for the period)		38,594.07	40,470.61
XII	Earnings per equity share: (In Rs.)			
1)	Restated Basic EPS for FY 21-22		7.09	-
2)	Basic EPS		6.77	462.98
3)	Diluted EPS		6.77	462.95
	Corporate information and Significant accounting policies		1&2	

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Consolidated Cash flow statement for the period ending March 31, 2023			(₹.in Lakhs)
	Description	As on 31.03.2023	As a 31.03.2022
A) Cash Flow from operating activities:			
Net Profit before taxation		49,729.77	54,502.71
Adjustment:(+/-)			
Depreciation/ Amortisation		6,377.41	5,783.45
Provision for gratuity and leave encashment		88.50	65.20
Interest and Finance charges		668.45	1,008.63
Interest from deposits & advances		(2,909.88)	(957.57)
Dividend/Capital Gain from Mutual Funds		(1,487.33)	(937.66)
(Profit)/Loss on sale of asset		(5.33)	16.46
Operating Profit before Working Capital Changes		52,461.58	59,481.21
Adjustment for changes in working capital:			
Other financial Assets		(22.36)	(61.36)
Other Current Assets		681.57	(1,482.08)
Other non-current Assets		(2,394.58)	169.91
Current Financial Liabilities		213.56	173.63
Trade and other receivables		5,213.06	(7,152.93)
Inventories		(7,118.63)	(2,316.66)
Trade payables and other liabilities		710.01	(1,208.38)
Other Current Liabilities		(7,645.57)	(2,012.09)
Provisions		(0.12)	-
Cash used in operations		42,098.52	45,591.26
Income taxes paid		(11,500.00)	(12,300.00)
Net cash generated in Operating Activities		30,598.52	33,291.26
B) Cash Flow from Investing Activities:			
Purchase of fixed assets and other capital expenditure		(17,867.98)	(2,066.05)
Right to use assets-IND AS		70.18	(178.05)
Sale of Fixed Assets		7.00	5.52
(Increase)/Decrease in CWIP		(1,024.91)	(13,514.96)
Purchase of Intangible Assets		(561.71)	(313.90)
Interest from deposits & advances		2,909.88	957.57
Dividend/capital gain from Mutual Funds		1,487.33	937.66
Investments in Mutual Fund and Equities		(22,620.15)	(6,370.60)
Receipt/(payment) of loans and advances to related party		(1.21)	(2.47)
Net cash used in Investing activities		(37,601.56)	(20,545.27)
C) Cash flow from Financing activities:			
Proceeds from issue of equity shares		-	24,749.97
Repayment of Borrowings		9,029.00	(1,382.31)
Other Non-Current liabilities		(1,836.47)	645.07
IND AS fair value adjustment		(54.99)	133.30
Repayment of short term borrowings		(71.65)	(5,069.68)
Interest and Finance charges		(668.45)	(1,008.63)
Preference dividend (inclusive of tax)		-	(0.12)
Net cash (Used)/ Generated in Financing Activities		6,397.45	18,067.60
Net change in Cash and Cash Equivalents (A+B+C)		(605.59)	30,813.59
Cash and Cash Equivalents (beginning of the year)		34,890.28	4,076.70
Cash and Cash Equivalents (ending period)		34,284.69	34,890.28

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Consolidated Statement of Changes In Equity for the period ending March 31, 2023

STATEMENT OF CHANGES IN EQUITY

A - Equity Share Capital

Particulars

Particulars	Number	Amount (₹.in Lakhs)
Balance as at April 01, 2022	8,776,254.00	877.63
Add: Equity shares allotted during the year by way of bonus shares and stock split without consideration	561,710,546.00	10,532.11
Balance as at March 31, 2023	570,486,800.00	11,409.74

B - Other Equity

For the year ended March 31, 2023

Particulars	Reserves and Surplus				Items of other comprehensive income/(loss)	Equity Component of Compound Financial Instruments	Total (₹.in Lakhs)
	Capital Redemption Reserve	General Reserves	Securities Premium	Retained Earnings			
Balance as at April 01, 2022	500.00	9,838.61	27,001.83	97,423.67	(306.11)	164.24	134,622.24
Adjustment during the year	(500.00)	-	-	(10,078.75)	-	-	(10,578.75)
Profit for the year	-	-	-	38,518.51	-	-	38,518.51
Other Comprehensive income/(loss) for the year	-	-	-	-	75.56	-	75.56
Dividends & Dividend tax paid	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	(164.24)	(164.24)
Additions during the year	-	3,851.85	183.81	(3,851.85)	-	-	183.81
Balance as at March 31, 2023	-	13,690.47	27,185.64	122,011.58	(230.55)	0.00	162,657.14

For the year ended March 31, 2022

Particulars	Reserves and Surplus				Items of other comprehensive income/(loss)	Equity Component of Compound Financial Instruments	Total (₹.in Lakhs)
	Capital Redemption Reserve	General Reserves	Securities Premium	Retained Earnings			
Balance as at April 01, 2021	500.00	5,783.22	2,281.03	60,791.93	(222.77)	164.24	69,297.65
Adjustment during the year	-	-	-	133.30	-	-	133.30
Profit for the year	-	-	-	40,553.95	-	-	40,553.95
Other Comprehensive income/(loss) for the year	-	-	-	-	(83.34)	-	(83.34)
Dividends & Dividend tax paid	-	-	-	(0.12)	-	-	(0.12)
Additions during the year	-	4,055.39	24,720.80	(4,055.39)	-	-	24,720.80
Balance as at March 31, 2022	500.00	9,838.61	27,001.83	97,423.67	(306.11)	164.24	134,622.24

As per our report of even date attached

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****15) Equity Share Capital**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No.of Shares	(₹.in Lakhs)	No.of Shares	(₹.in Lakhs)
Authorised Share capital				
Equity Shares of Rs. 2/- each (Rs.10/- each in FY22)	600,000,000	12,000	25,000,000	2,500
Preference shares of Rs 10/- each	5,000,000	500	5,000,000	500
0.05% Compulsorily Convertible Preference Share of Rs.1000/-each	-	-	25,000	250
	605,000,000	12,500	30,025,000	3,250
Issued, subscribed & fully paid share capital				
Equity Shares of Rs. 2/- each (Rs.10/- each in FY22)	570,486,800	11,410	8,776,254	878
0.05% Compulsorily Convertible Preference Share of Rs.1000/-each	-	-	23,316	233
Total	570,486,800	11,410	8,799,570	1,111

15.1 The Company has only equity shares having a face value of Rs.2/- each.(Post stock split and bonus issues during the FY23)

15.2 Terms/ Rights attached to equity shares

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of amounts payable to preference shareholders & any statutory liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 The details of shareholder holding more than 5% shares as at March 31, 2023 and March 31, 2022 set out below:

Sl. No	Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
		No. of Shares held	% holding	No. of Shares held	% holding
1	Mr. Ajay Bhardwaj	301,320,825	52.82%	4,635,705	52.82%
2	Mr. Ravindra K C	67,497,430	11.83%	1,038,422	11.83%
3	Mr. Ganesh S	69,565,730	12.19%	1,070,242	12.19%
4	Viridity Tone LLP	47,492,640	8.32%	730,656	8.32%
5	*Portsmouth LLC (0.05% CCPS)	-	-	23,316	100%

*Converted to equity in FY2023

16) Other Equity		(₹.in Lakhs)
Particulars		
a) Capital Redemption Reserve		-
b) General Reserve		500.00
c) Share Premium		13,690.47
d) Retained Earnings		27,185.64
e) Components of Other Comprehensive Income		122,011.58
f) Equity Component of Compound Financial Instruments		(230.55)
Balance at the end of the period (a+b+c+d+e+f)	0.00	164.24
	162,657.14	134,622.24

Compound financial instrument

As per Ind AS 32, compound financial instruments need to be split into their debt and equity components from inception. The liability portion is first computed and the balance is the equity portion. This has been computed for the .05% Compulsorily convertible preference shares

As per our report of even date attached

For and on behalf of the Board

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 0031355

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Ramakrishnan K
Company Secretary

Particulars	Tangible Assets						Total (₹.in Lakhs)
	Land - Free Hold *	Road	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	
Cost or Deemed cost							
As at April 01,2022	8,361.28	407.01	13,039.07	30,587.37	1,673.65	744.84	68,125.88
Additions during the year	-	-	2,747.55	11,621.44	176.82	-	17,867.98
Disposals/adjustments	-	91.97	-	-	-	-	161.40
As at March 31,2023	8,361.28	315.04	15,786.63	42,208.81	1,850.47	744.84	564.35
Depreciation							12,898.55
As at April 01,2022	381.66	5,943.87	17,787.07	1,314.66	508.72	388.72	36,163.37
Charge for the period	9.42	979.33	3,436.08	107.40	73.07	27.23	1,158.42
Disposals/adjustments	-	91.68	-	-	-	-	68.05
As at March 31,2023	299.39	6,923.20	21,223.16	1,422.06	581.80	415.94	9,014.37
Net block							2,106.01
As at March 31,2023	8,361.28	15.64	8,863.43	20,985.65	428.41	163.04	148.41
As at March 31,2022	8,361.28	25.35	7,095.21	12,800.30	358.99	236.12	44.21
							2,881.39
							159.66
							31,962.51

***All title deeds of Immovable Properties are held in name of the Company except the below mentioned properties.**

'Below title deeds of immovable property not held in name of the company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Land	8acre land Plot No. 313-P, 314-P & 318-P, Harohalli Industrial Area, 2nd Phase.	1313.21447	The Karnataka Industrial Areas Development Board (KADB)	NA	17/05/2018	Lease cum sale basis (99 years lease)
	2acre land Plot Nos. 276-P, 280-P & 281-A Harohalli Industrial Area, 2nd Phase.	367.15414			26/09/2019	
	30acre land Plot no. 527 to 540 & 557 to 570 in Harohalli 3rd Phase Industrial Area.	4737.6864			02/02/2021	

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

3.1 Capital work-in-progress

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Capital work-in-progress	16,407.84	15,382.94
	16,407.84	15,382.94

Capital work-in-progress ageing schedule**As at 31 March 2023**

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	11,816.54	4,532.90	58.40	-	16,407.84
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	13,779.48	9.44	1,586.32	7.69	15,382.94
Projects temporarily suspended	-	-	-	-	-

3.2 Other Intangible assets

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Other Intangible Assets	908.94	689.89
Total	908.94	689.89

Particulars	(₹.in Lakhs)
Cost or Deemed cost	
As at April 01, 2022	1,818.59
Additions during the year	561.71
Disposals	-
As at March 31, 2023	2,380.29
Amortisation	
As at April 01, 2022	1,128.69
Charge for the period	342.66
Disposals	-
As at March 31, 2023	1,471.35
Net block	
As at March 31, 2023	908.94
As at March 31, 2022	689.89

3.3 Right to use assets

(₹.in Lakhs)

Particulars	FY 22-23	FY 21-22
Opening Balance	248.60	193.42
Adjustment during the year	-	50.77
Additions during the year	11.44	127.28
Deletions during the year	(81.62)	-
Depreciation during the year	(44.66)	(122.87)
Closing Balance	133.76	248.60

4) 'Investments

Sl.No.	Particulars	As at 31.03.2023		As at 31.03.2022		
		Amortised Cost Through Other Comprehensive Income	Amortised Cost Through profit or loss	Total	Amortised Cost Through Other Comprehensive Income	At Fair Value(₹.in Lakhs) Through profit or loss
	Mutual Funds (as per 4.1)	-	49,287.05	49,287.05	-	26,913.33
	Other investments (as per 4.2)	616.03	-	616.03	369.61	-
(A)	Total	616.03	49,287.05	49,903.08	369.61	26,913.33
(i)	Investments outside India					
(ii)	Investments in India	616.03	-	49,903.08	369.61	-
(B)	Total	616.03	49,287.05	49,903.08	369.61	26,913.33
	(A) - (B)				-	-
	Less: Impairment Loss Allowance				-	-
	Total	616.03	49,287.05	49,903.08	369.61	26,913.33
						27,282.93

Particulars	31.03.2023	31.03.2022 (₹.in Lakhs)
4.1 Trade - Quoted - at fair value		
a) Investments in Mutual Funds; Corporate Bonds & MLDs		
Aditya Birla Sun Life Mutual Fund	-	7,932.21
ABSL crisl IBX AAA June 2023	2,004.47	-
Aditya Birla Housing Finance Ltd	2,146.32	-
Asirvad Micro Finance Limited	173.52	-
Kotak Equity Arbitrage Fund Growth	-	1,377.41
Baroda BNP Paribas Liquid Fund	2,513.98	-
Bharat Bond FOF	2,611.04	-
Edelweiss Broking Limited - MLD	2,499.47	-
Hinduja Leyland Finance Ltd - MLD	171.02	-
FedBank Financial Services Limited	1,104.89	-
Tata Arbitrage Fund	-	2,789.64
ICICI Prudential Equity Arbitrage Fund-205	-	2,072.54
Kotak Mahindra Investment Ltd	2,500.00	-
Kotak Mahindra Investment Ltd- IIFL	854.43	-
Kotak Equity Arbitrage Fund-Direct Growth-523	-	2,076.37
UTI-Arbitrage Fund-Direct Growth-914	-	2,591.47
HDFC Overnight Fund	-	8,073.69
IIFL Wealth Prime Ltd	2,495.47	-
Infina Finance Pvt Ltd	479.71	-
Kotak Mahindra Prime Ltd - Wealth Bonds	1,512.92	-
L & T Finance Ltd	5,054.93	-
Mahindra & Mahindra Financial Services Ltd - MLD	1,525.89	-
Muthoot Fincorp Ltd - MLD	114.86	-
Nippon India Overnight Fund	1,166.86	-
REC Ltd -MLD	457.09	-
Shriram City union Finance Ltd - MLD	116.88	-
Shriram Transport Finance Company Ltd	1,639.93	-
Shriram Transport finance MLD	4,383.45	-
Shriram City Union Finance Ltd	2,493.29	-
Shriram Housing Finance Ltd	1,517.72	-
Tata Cleantech Capital Limited-MLD	2,577.65	-
Tata Capital Housing Finance Ltd	2,058.42	-
Tata Capital Limited (Tipsons Financial Serv Pvt Ltd)	1,549.56	-
Tata International Limited Perpetual (Tipson)	1,000.50	-
Tata Capital Financial Services Ltd	1,572.07	-
Tata Capital Limited	990.69	-
Total investments at Fair Value	49,287.05	26,913.33

Particulars	31.03.2023	31.03.2022 (₹.in Lakhs)
4.1 Other Investments		
a) Other Equity Investments		
Investment in Four EF Renewables Private Limited	205.35	123.20
b) Other Preference Investments		
Investment in Four EF Renewables Private Limited	410.68	246.41
Total investments at Fair Value	616.03	369.61

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Investment in Equity Instrument - Others**

1. Investment in Four EF Renewables Private Limited, 205,338 equity shares of Rs. 100 each and 100 Equity shares of Rs.15/- each (FY2022: 123,203 equity shares of Rs. 100/- each)
2. Investment in Four EF Renewables Private Limited, 410,677 Preference shares of Rs. 100 each (FY2022: 246,406 equity shares of Rs. 100/- each)

5 Trade Receivables**a) Non-current**

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
Trade Receivables from Related parties	310.78	311.18
Total	310.78	311.18

Trade Receivables Ageing**(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
(i) Undisputed Trade receivables – considered good		-				310.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	310.78
						310.78

Trade Receivables Ageing**(For Previous Reporting period)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
(i) Undisputed Trade receivables – considered good		0.40				310.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	0.40	-	-	-	310.78
						310.78
						311.18

b) Current

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
(i) Trade Receivables	27,406.78	32,619.45
Unsecured, considered doubtful		
(i) Doubtful Debtors- Credit Impaired	-	-
(ii) Less: Provision for doubtful trade receivables	-	-
Total	27,406.78	32,619.45

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Trade Receivables Ageing
(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	27,387.08			17.00	2.71	27,406.78
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	27,387.08		-	17.00	2.71	27,406.78

**Trade Receivables Ageing
(For Current Reporting period)**

Particulars	Outstanding for following periods from due date of payment					Total (₹.in Lakhs)
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	32,490.87	64.22	55.19	9.09	0.08	32,619.45
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
"(v) Disputed Trade receivables – which have significant increase in credit risk"	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	32,490.87	64.22	55.19	9.09	0.08	32,619.45

ECL Model

Ind AS 109 requires an impairment assessment to be made for Trade Receivables on an Expected Credit Loss Model. For Trade Receivables.

Ind AS 109 permits a simplified approach of calculating only life time credit losses.

Considering the industry in which the company is operating and the gestation period of its projects, impairment assessment is made annually for the entire block of Trade Receivables and impairment losses are recognised for trade receivables on a case to case basis.

6) Loans & Advances									
Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022				
		Amortised Cost	Amortised Cost		Total	Amortised Cost	At Fair Value(₹.in Lakhs)		
			Through Other Comprehensive Income	Through profit or loss			Through Other Comprehensive Income	Through profit or loss	
	Loan to related party	478.60	-	-	478.60	477.39	-	-	477.39
	Advances to related party	-	-	-	-	-	-	-	-
(A)	Total	478.60	-	-	478.60	477.39	-	-	477.39
(i)	Investments outside India	-	-	-	-	-	-	-	-
(ii)	Investments in India	478.60	-	-	478.60	477.39	-	-	477.39
(B)	Total	478.60	-	-	478.60	477.39	-	-	477.39
	(A) - (B)	-	-	-	-	-	-	-	-
	Less: Impairment Loss Allowance	-	-	-	-	-	-	-	-
	Total	478.60	-	-	478.60	477.39	-	-	477.39

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

7 Other Financial Asset**a) Non- Current**

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Unsecured, considered good		
Staff advances	23.02	79.24
Security Deposits	437.77	352.85
Total	460.79	432.08

b) Current

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Unsecured, considered good		
Accrued interest	13.67	13.40
Staff advances-Current	8.95	15.58
Total	22.63	28.98

c) Fair Value Hierarchy

Particulars	Carrying value		Fair value	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Amortised cost				
(i) Loans	478.60	477.39	478.60	477.39
(ii) Other Investments	616.03	369.61	616.03	369.61
(iii) Trade Receivables	27,717.57	32,930.63	27,717.57	32,930.63
(iv) Other Financial Assets	483.42	461.06	483.42	461.06
(v) Cash and Cash Equivalents	34,284.69	34,890.28	34,284.69	34,890.28
Fair Value through Profit and Loss				
(i) Investments	49,287.05	26,913.33	49,287.05	26,913.33
Total Financial Assets	112,867.36	96,042.30	112,867.36	96,042.30

d) Fair Value Hierarchy

	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Units	49,287.05	0.00	0.00	49,287.05
Other Investments	616.03	0.00	0.00	616.03
Total	49,903.08	0.00	0.00	49,903.08

8 Deferred Tax Assets (Net)

Particulars	31.03.2023	(₹.in Lakhs) 31.03.2022
Deferred tax assets		
Deferred tax assets	1,593.78	1,386.99
Add: Adjustments during the year	897.06	206.79
Total	2,490.84	1,593.78

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****8.1 Components of deferred income tax assets and liabilities arising on account of temporary differences are:**

	(₹.in Lakhs)	31.03.2023	31.03.2022
Deferred tax asset			
Expenditure disallowed under Income Tax Act, 1961		7,253.03	805.79
Prepaid rent written off		1.64	1.93
Property, plant and equipment		5,130.62	5,082.34
On OCI (Gratuity)		411.12	129.81
Significant financing component		188.46	685.31
Deferred Loan finance cost		7.81	7.81
Employee benefit expenses on staff loans		6.62	11.94
Interest on BIRAC Loan		44.78	50.02
Lease		55.03	145.72
		13,099.11	6,920.66
Deferred tax liability			
Interest income due to fair valuation of security deposits		1.68881	2.01
Interest income recognised on Staff loan		6.64	13.46
Notional interest income on loan to Associate company		6.32	6.23
Actuarial gain/loss (OCI)		-	18.43
Compound financial instruments		2.99	6.58
BIRAC Loan grant recognised		23.64	23.78
Lease		53.02	140.74
		94.31	211.23
Total		13,004.81	6,709.43

9 Tax Assets (Net)

	(₹.in Lakhs)	31.03.2023	31.03.2022
Particulars		31.03.2023	31.03.2022
Income Tax Refundable		137.49	137.30
Total		137.49	137.30

10 Other Non-current Assets

	(₹.in Lakhs)	31.03.2023	31.03.2022
Particulars		31.03.2023	31.03.2022
Un-secured Considered good			
(i) Capital advances		3,044.65	630.09
(ii) Prepaid Rent		(1.21)	0.43
(iii) Deferred Employees Benefit		2.50	7.04
(iv) Deferred Loan - Anthem Biopharma Private Limited		234.39	242.20
(v) Prepaid Expenses-long term		57.16	71.13
Total		3,337.48	950.89

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

11 Inventories

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
(i) Raw materials	10,283.61	3,784.51
(ii) Work in Progress	2,025.16	1,176.10
(iii) Finished goods	507.50	455.36
(iv) Goods in transit	125.36	407.03
Total	12,941.63	5,823.00

12 Cash and Cash Equivalents

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Balances with banks:		
(i) in current accounts	728.05	513.10
(ii) in deposit accounts	33,415.21	33,317.64
Cash in Hand:		
(i) Cash on hand	-	-
Total	34,143.25	33,830.75

13 Other Bank Balances

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Earmarked balances with Banks		
(i) Margin Money & Other Deposits	61.13	712.63
(ii) Debit balance in cash credit	80.31	346.90
Total	141.44	1,059.54

14 Other Current Assets

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Un-secured Considered good		
(i) Balances with other statutory authorities	7,760.28	7,904.18
(ii) Prepaid Expenses	194.34	250.38
(iii) Advances to Suppliers	311.35	181.99
(iv) Export Incentives Receivable	-	718.93
(v) Others Receivable	107.95	-
Total	8,373.92	9,055.49

17 Borrowings
a) Non-current

Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Amortised Cost	Through Other Comprehensive Income	Total	Amortised Cost	Through Other Comprehensive Income	Total
(a) Term Loans							
(i) Secured							
from Banks	9,213.27			9,213.27			-
from other parties	405.57			405.57	459.10		459.10
(ii) Unsecured							
from Banks	-			-			-
from Related parties	-			-			-
(b) Finance lease obligations							
Total	9,618.84			9,618.84	589.84		589.84
Borrowings in India	9,618.84			9,618.84	589.84		589.84
Borrowings outside India	-			-	-		-
(B) Total	9,618.84			9,618.84	589.84		589.84
(A) - (B)	-			-	-		-

b) Current

Sl.No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Amortised Cost	Through Other Comprehensive Income	Total	Amortised Cost	Through Other Comprehensive Income	Total
(a) Term Loans							
(i) Secured							
from Banks	1,900.00			1,900.00			-
from other parties	113.01			113.01	114.95		114.95
(ii) Unsecured							
from Banks	-			-			-
from Related parties	-			-			-
(b) Finance lease obligations							
from Banks	-			-	95.00		95.00
from Cash Credit	874.60			874.60	2,749.30		2,749.30
Total	2,887.61			2,887.61	2,959.26		2,959.26
Borrowings in India	2,887.61			2,887.61	2,959.26		2,959.26
Borrowings outside India	-			-	-		-
(B) Total	2,887.61			2,887.61	2,959.26		2,959.26
(A) - (B)	-			-	-		-

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

Break up of Loans- Borrowings with Repayment Terms					
Loan Type	Loan Name	Repayment Terms	Total Outstanding (₹.in Lakhs)	Total Outstanding (₹.in Lakhs)	
				(For Current Reporting period)	(the previous reporting period)
Term Loan-Project	Citi Bank	20 Quarterly Instalments	9,000	-	
Term Loan-Project	Biotechnology Industry Research Assistance Council	10 Years#	594.89		697.30
Term Loan-Project	Federal Bank	24 Quarterly Instalments	1,113.27	-	
Cash credit	Citi Bank	Yearly Renewal	1,874.60		1,010.01
PCFC	Citi Bank	Yearly Renewal	-		1,739.29
Vehicle Loan	HDFC Bank	60 EMI *	-		2.08
Vehicle Loan	Kotak Bank	60 EMI *	-		2.10
Vehicle Loan	Federal Bank	60 EMI *	-		221.56

* Prepayment in FY23.

Excluding IND AS effect

Terms of Security**From Banks**

17.1 Term loan from BIRAC (Biotechnology Industry Research Assistance Council), along with interest is secured by Equipment and Machinery which is procured from the sanctioned amount and carry an interest rate of 2.00% p.a (concessional rate)

17.2 Term loan from federal bank along with interest is secured by first pari passu charge of EM of lease hold right of Anthem Biosciences Pvt Ltd on 32,932 sqm of land at plot no.313-P,314-P&318-P in Harohalli 2nd Phase Industrial area, and second pari passu charge with the current assets (both present and future); hypothecation of moveable fixed assets of the company procured/to be procured to the extent of Rs.400 crores; Entire cash flow of the company. Term loan carries a fixed rate of interest@6.45% p.a

17.3 Cash Credit and other fund and non fund facilities from Citibank & HDFC Bank are secured by the first charge on pari-passu basis on all inventories and receivables, Demand promissory note and letter of continuity. These facilities are payable on demand and carry an interest rate (re-set) in the range of 7.55% to 8.50% p.a.

17.4 Term loan from Citi Bank is secured by an exclusive charge on Movebale fixed assets and carry an interest rate which is equivalent to 3Months T bill+125 bps.

Terms of security and repayment

- Mortgage /charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future;
- Charge/assignment of revenues receivables
- Charge over /assignment of the rights, titles and interests of the company in to and in respect of all project agreements (in accordance with concession agreement).
- Assignment of insurance policies, interest, benefits, claims, guarantees ,performance bonds and liquidated damages;
- The aforesaid charge will rank Pari - Passu with the mortgages and charges created/to be created in favour of participating institutions/banks.

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

17.5 Obligations towards finance leases

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Minimum Lease payments		
(i) Not later than one year	39.77	131.21
(ii) Later than one year but not later than five years	83.07	127.42
Total	122.84	258.63

18 Trade Payables

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Current		
(i) Dues to micro, small and medium enterprises	-	15.98
(ii) Dues to others	6,058.22	5,593.45
(iii) Other Creditors	1,135.90	874.68
Total	7,194.13	6,484.12

Trade Payables Ageing
(For Current Reporting period)

Loan Type	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
MSME	-	-	-	-	-
Others	6804.42	232.34	84.87	72.50	7,194.13
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	6,804.42	232.34	84.87	72.50	7,194.13

Trade Payables Ageing
(For Current Reporting period)

Loan Type	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (₹.in Lakhs)
MSME	15.98	-	-	-	-
Others	6300.93	92.93	2.50	71.78	6,468.14
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	6,316.91	92.93	2.50	71.78	6,484.12

19 Other Financial Liabilities

Non Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Lease Liability	76.44	113.20
Liability Component of Compound Financial Instruments	-	22.56
Performance guarantee deposit	616.02	369.61
Total	692.45	505.37

Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Retention money	449.79	236.24
Lease Liability	32.22	117.22
Total	482.01	353.46

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

Note - During the year, the Company made a reassessment of its lease agreements in order to ascertain whether the agreements meet the definition of a lease. The net impact of these changes has been transferred to Retained Earnings.

Fair Value Hierarchy

(₹.in Lakhs)

Particulars	Carrying value as at		Fair value as at	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Amortised cost				
(i) Borrowings	12,506.45	3,549.09	12,506.45	3,549.09
(ii) Trade Payables	7,194.13	6,484.12	7,194.13	6,484.12
(iii) Other financial liabilities	1,174.47	858.83	1,174.47	858.83
Total Financial Liabilities	20,875.04	10,892.04	20,875.04	10,892.04

20 Provisions**a) Non Current**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Provision for employee benefits		
(i) Gratuity Payable	583.10	523.21
(ii) Leave encashment	311.18	282.58
Total	894.28	805.79

(i) Movement in provisions

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
a) Provision for Gratuity		
Opening Balance	523.21	479.66
Additional Provisions made	192.45	132.55
Provisions released (paid)	132.55	89.00
Closing Balance	583.10	523.21
b) Leave Encashment		
Opening Balance	282.58	260.93
Additional Provisions made	218.72	193.46
Provisions released (paid)	190.11	171.81
Total Closing Balance	311.18	282.58

b) Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Dividend	-	0.12
Total	-	0.12

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

21 Other Liabilities**a) Non- Current**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Endo Global Biologicals - significant financing component	0.00	1,998.93
Deferred Grant	141.76	166.38
Total	141.76	2,165.31

b) Current

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Other accrued liabilities	1,878.63	1,914.12
Advances from customers	140.01	5,789.13
Capital creditors	2,558.27	2,637.45
Dues to statutory/government authorities	264.06	243.97
Grants received in advance	38.52	-
Total	4,879.49	10,584.68

22 Current Tax Liability (Net)

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Current		
Income Tax Provision	12,088.35	14,238.89
Less: Advance tax paid	11,500.00	12,300.00
Total	588.35	1,938.89

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

23 Revenue From Operations

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Sale of products & services		
Domestic sales	21,302.43	23,215.28
Export sales	84,390.00	99,910.32
Total	105,692.43	123,125.60

23.1 Change in Contract Liabilities:

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Balance at the beginning of the year	1,998.93	1,313.62
Add: Interest expense during the year	188.46	685.31
Less: Invoices raised during the year	-	-
Balance at the end of the year	2,187.39	1,998.93

Expected revenue recognition from remaining performance obligations

-within one year	2,187.39	1,998.93
-more than one year	-	-

23.2 Performance Obligation

In relation to information about company's performance obligation, the entity satisfies the performance obligation at a point in time.

24 Other Income

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest from deposits & advances	2,909.88	957.57
Other income	528.43	292.70
Capital Gain and Dividend	1,487.33	937.66
Fair value Gain-Mutual Fund	(797.61)	422.16
Forex gain (net)	1,288.86	1,332.57
Grant received	98.11	115.85
MEIS Duty Credit Scripts	-	835.11
Fair value SFC written back	2,187.39	-
Lease rent received	4.44	4.44
Total	7,706.85	4,898.05

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

25 Cost of materials consumed

Particulars	31.03.2023	31.03.2022
Opening stock	3,784.51	1,534.74
Add: Chemicals and reagents	41,328.00	43,279.54
	45,112.51	44,814.28
Less: Closing stock	10,283.61	3,784.51
Total	34,828.89	41,029.77

26 Change in Work in Progress

Particulars	31.03.2023	31.03.2022
Opening stock		
Finished goods	455.36	358.57
Work-in-progress	1,176.10	1,135.54
	1,631.46	1,494.11
Less: Closing stock		
Finished goods	507.50	455.36
Work-in-progress	2,025.16	1,176.10
Total	(901.20)	(137.35)

27 Employee Benefits Expense

Particulars	31.03.2023	31.03.2022
Salaries and allowances	13,945.41	12,443.43
Contribution to provident and other funds	711.08	646.83
Staff welfare	660.58	649.19
Employees Benefit Expense	6.62	11.94
Total	15,323.70	13,751.39

28 Finance Costs

Particulars	31.03.2023	31.03.2022
Interest Expense on		
(i) Interest - Term loans	355.17	182.84
(ii) Interest - Cash credit	43.68	30.69
(iii) Interest - Finance lease	18.58	23.53
(iv) Interest - IND AS lease	10.37	22.86
(iv) Bank charges	52.19	62.90
(v) Interest on Endo Global-Significant Financing Component	188.46	685.31
(vi) Interest on MSME	-	0.50
Total	668.45	1,008.63

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****29 Administrative Expenses**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Advertisement and business promotion	53.53	11.68
Auditors' remuneration	21.00	17.50
Amortisation of deferred loan (ABPPL)	7.81	7.81
Commission expenses	415.71	430.52
Communication expenses	80.75	88.06
Corporate social responsibility expenses	601.08	81.72
Donation	2.50	7.50
Freight and forwarding charges	514.96	531.60
Health and safety expenses	286.84	377.73
Insurance	349.17	299.99
Interest on statutory dues	195.90	210.29
Internal Audit Fees	7.50	5.50
Legal and professional fees	222.80	108.89
Loss from sale of assets	0.28	18.41
Membership and subscription	68.75	70.43
Miscellaneous expenses	127.22	18.52
Fair value measurement expenses	46.41	51.28
Pollution control expenses	490.27	338.88
Power and fuel	3,901.08	3,633.18
Printing and stationery	247.19	162.80
Processing charges	295.69	390.54
R & D expenses	2,586.13	2,478.80
R & M - Building	64.43	43.32
R & M - Others	523.95	595.74
R & M - Plant and machinery	1,227.02	1,172.92
Rates and taxes	641.27	517.84
Rent	25.90	24.01
Security charges	152.18	150.82
Training and recruitment expenses	5.37	7.69
Travelling and conveyance	397.60	127.52
Total	13,560.30	11,981.50

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements**

29.1 As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

29 Auditor's remuneration break-up

Particulars	31.03.2023	31.03.2022
(i) Statutory audit fees	21.00	17.50
(ii) Certification and other reimbursement	2.62	1.92
(iii) Internal audit fees	7.50	5.50
Total	31.12	24.92

30 Tax Expense

Particulars	31.03.2023	31.03.2022
A - Current Tax		
Current tax on profits for the year	12,004.84	14,238.89
Total	12,004.84	14,238.89

30.1 Reconciliation of tax expenses to accounting profit

Particulars	31.03.2023	31.03.2022
Accounting profit before tax	49,729.77	54,614.09
Tax @ 25.168%	12,515.99	13,745.27
Adjustments		
Expenses that are disallowed as per Income Tax Act	7,253.03	4,271.71
Expenses that are specifically allowed as per the Income Tax Act	(6,267.52)	(4,660.49)
Short term Capital gains	461.73	379.80
Long term Capital gains	1,025.60	557.86
Deduction under section 80JJA	(50.55)	(55.27)
Tax Expenses recognised in the statement of profit and loss	14,938.29	14,238.89
Income tax credit/(expense) recognised in Other Comprehensive Income:	103.48	28.03
Tax effect on actuarial gains/losses on defined benefit obligations	103.48	28.03

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****31 Other comprehensive income**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Items that will not be reclassified to profit or loss		
(ii) Actuarial gains & losses	(27.92)	(111.38)
(iii) Deferred tax	103.48	28.03
Total	75.56	(83.34)

32 Research and development expenditure

Expenditure on research activities are recognized as expenses and charged to Statement of profit and loss. Development costs of products are also charged to the Statement of profit and loss unless a product's technological feasibility has been established and the ability of the asset to generate future economic benefits, in such case expenditure is capitalized. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Assets and Intangible Assets. During the year, the below mentioned expenditure is incurred towards research and development:

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Salaries and allowances	1,056.26	654.19
Consumables	1,461.84	1,650.51
Electricity expenses	63.17	64.66
Other expenses	4.86	109.43
Total expenses charged to statement of profit and loss	2,586.13	2,478.80

33 Earnings per share**For the year ended**

Particulars	31.03.2023		31.03.2022	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	5,049,352	5,049,626	8,484,581	8,485,047
Weighted no of equity shares issued during the year	230,839,950	230,839,950	284,481	284,481
Weighted average number of equity shares for calculation of earnings per share	235,889,302	235,889,577	8,769,062	8,769,528

33(a) Extraordinary Income

During the financial year 2022-23, company has forfeited the outstanding advance money received to the extent of Rs. 61.80 crores, from an overseas customer, which was due to pre-mature termination of the supply contract by the customer. Based on mutual consent between both the parties, company has no obligation to re-pay the said forfeited money to the overseas customer.

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Anthem Biosciences Private Limited****Notes forming part of the consolidated financial statements****34 Employee benefit expenses**

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
(i) Salaries and Wages	13,945.41	12,443.43
(ii) Contribution to provident and other funds*	711.08	646.83
(iii) Staff training and welfare expenses	660.58	649.19
(iv) Employee benefit expenses	6.62	11.94
Total	15,323.70	13,751.39

*Includes contribution to defined contribution plan for the year ended March 31, 2023 Rs.411.16 lacs (for the year ended March 31, 2022: Rs.326.00 lacs)

Amount recognized in the statement of profit and loss in respect of gratuity and leave encashment cost

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Present value of projected benefit obligation	1,042.12	909.72	311.18	282.58
(ii) Service cost	130.76	121.05	56.03	51.61
(iii) Net interest on net defined liability/(asset)	33.77	29.94	13.86	12.04
(iv) Re-measurement - actuarial (gain)/loss recognised in OCI	27.92	(18.43)	148.79	129.81
Net present value of projected benefit obligation	1,234.56	1,042.28	529.86	476.03
(i) Discount rate	7.53%	7.39%	7.53%	7.39%
(ii) Salary increase	6.00%	6.00%	6.00%	6.00%

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change in projected benefit obligations				
(i) Obligations at the beginning of the year	909.72	795.60	282.58	260.93
(ii) Service cost	130.76	121.05	56.03	51.61
(iii) Interest expense	63.89	53.27	13.86	12.04
(iv) Benefits settled	(90.25)	(42.52)	(190.07)	(171.81)
(v) Actuarial (gain)/loss	27.99	(17.68)	148.79	129.81
Obligations at end of the year	1,042.12	909.72	311.18	282.58

Anthem Biosciences Private Limited**Notes forming part of the consolidated financial statements****Bifurcation of present value of obligations at the end of the valuation period as per schedule III of the Companies Act, 2013**

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Current liabilities	247.07	203.30	108.39	94.89
(ii) Non-Current liabilities	795.05	706.42	202.79	187.68

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Change in plan assets				
(i) Plan assets at the beginning of the year, at fair value	386.51	315.95	-	-
(ii) Interest income on plan assets	30.13	23.34	-	-
(iii) Re-measurement - actuarial gain/ (loss)	0.07	0.75	-	-
(iv) Benefit payments from plan assets	(90.25)	(42.52)	-	-
(v) Contributions from employers	132.55	89.00	190.07	171.81
(vi) Benefits settled	-	-	(190.07)	(171.81)
Plan assets at the end of the year at fair value	459.01	386.51	-	-

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
(i) Experience adjustment on plan liabilities	31.38	2.01	149.24	132.10
Percentage of opening plan liabilities	3.45%	0.25%	52.81%	50.63%
(ii) Experience adjustment on plan assets	0.07	0.75	-	-
Percentage of opening plan assets	0.02%	0.24%	-	-

Maturity profile of defined benefit obligation:

(₹.in Lakhs)

Particulars	Gratuity		Leave Encashment	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Year 1	247.78	203.30	108.39	94.89
Year 2	201.57	162.63	74.55	65.52
Year 3	184.14	146.88	57.04	49.19
Year 4	145.72	136.79	40.17	38.43
Year 5	120.44	107.56	28.10	27.43
Next 5 year Payouts	522.71	310.84	72.25	57.05

The weighted average of the defined benefit obligation for gratuity is 4.22 as at 31 March 2023

The weighted average of the defined benefit obligation for leave encashment is 3.01 as at 31 March 2023

35 Disclosure with respect to Ind AS 116 - Leases

Information about Leases Assets for which the Company is a lessee is presented below:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	248.60	193.42
Additions	11.44	127.28
Adjustments during the year	0.00	50.77
Deletions	(81.62)	0.00
Depreciation*	-44.66	-122.87
Balance as at end of the year	133.76	248.60

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in Statement of Profit and Loss.

The changes/movement in Lease Liabilities of the Company are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	230.43	236.12
Additions	13.98	127.28
Adjustments during the year	0.00	-15.08
Deletions	-93.09	
Payment of lease liabilities	-53.02	-140.74
Accreditation of interest	10.37	22.86
Balance as at end of the year	108.66	230.43
Current Liabilities	32.22	117.21
Non-Current Liabilities	76.44	113.21
Total cash outflow for leases	53.02	140.74

The table below provides details regarding amounts recognised in the Standalone Statement of Profit and Loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses relating to short-term leases and/or leases of low-value items		
Interest on lease liabilities	10.37	22.86
Depreciation expense	44.66	122.87
Total	55.03	145.72

Contractual maturities of Lease Liabilities on undiscounted basis

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	39.77	131.21
One to five years	83.07	127.42
Total	122.84	258.64

32 Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to The Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. 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 derivative for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Credit risk:

Credit risk is the risk of financial loss to The Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(b) Trade and other receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

(c) Investments:

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

(d) Liquidity risk:

Liquidity risk is the risk that The Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The working capital position of the Company is given below:

Particulars	As at March 31, 2023	As at March 31, 2022	(₹.in Lakhs)
Cash & cash equivalents	34,143.25	33,830.75	
Investments in mutual funds (quoted)	49,287.05	26,913.33	

Contractual maturities of significant financial liabilities as at

(₹.in Lakhs)

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings	2,887.61	9,618.84	12,506.45
Lease Liabilities	32.22	76.44	108.66
Trade payables and accrued expenses	7,194.13	-	7,194.13
Other Financial liabilities	449.79	616.02	1,065.81

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings	2,959.26	589.84	3,549.09
Lease Liabilities	117.22	113.20	230.42
Trade payables and accrued expenses	6,484.12	-	6,484.12
Other Financial liabilities	236.24	392.17	628.41

(e) Foreign currency risk:

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. Dollars). A significant portion of The Company's revenues are in US Dollars while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, The Company's revenues measured in Rupees may decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has an internal committee which meets on a periodic basis to formulate the strategy for foreign currency risk management. When necessary, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

(f) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to The Company's debt obligations with floating interest rates and investments. The Company's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

37 Capital Management Structure

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

The Company is predominantly equity financed which is evident from the capital structure table. Further, The Company has always been a net cash Group with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

Particulars	As at March 31, 2023	As at March 31, 2022
Total equity attributable to the equity share holders of the group	174,066.87	135,499.87
As percentage of the total capital	100%	100%
current loans & borrowings	2,887.61	2,959.26
Non current loans & borrowings	9,618.84	589.84
Total loans & borrowings	12,506.45	3,549.09
As percentage of the total capital	7.18%	3%
Total capital (loans and borrowings and equity)	186,573.32	139,048.96

Particulars	As at March 31, 2023	As at March 31, 2022
Commitments		
Estimated amount of expected capital commitments	13,563	24,968
Contingent liabilities		
Claims against the company not acknowledged as debts:		
Income tax - AY 2015-16 - CIT Appeals 1, Bengaluru	326	326
Income tax - AY 2017-18 - ITAT, Bengaluru	55	55
Income tax - AY 2020-21 - CIT (A) Bengaluru	51	-
Service Tax-Appeal-FY: 2011-2015	12	12
Others:		
Letter of credit	286	47
Bank guarantees	70	70
Corporate guarantees:		
Guarantees given to Federal Bank on behalf of wholly owned subsidiary & associate company for securing financial assistances in the form for term loan and working capital loans.	21,800	100

39 Segment information:

Segments are identified in line with Indian Accounting Standard (Ind AS) 108 "Operating Segments", taking into consideration the internal organization and business activities in which it engages and the economic environments in which it operates and separate financial information availability. Company has identified two business segments viz, Contract Manufacturing; Development & Discovery Services and Speciality Ingredients (product business) during the year. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Particulars	Year ended March 31,2023	Year ended March 31,2022
Segmental Performance		
Business Vertical:		
Contract Manufacturing	88,379	110,233.48
R&D Services	17,314	12,903.22
Total	105,693	123,137
Revenue wise		
Export	84,122	99,950
Domestic	21,570	23,186
Total	105,693	123,137
Geography wise sales		
North America (USA)	49,743	51,771
Europe	30,620	45,959
India	21,580	23,186
Rest of asia	3,019	1,431
Others	731	789
Total	105,693	123,137

40 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. During the financial year 2022-23 the company has spent below amounts towards The Akshaya Patra Foundation for serving mid day meals; The Art & Photography Foundation; Sri Sringeri Sharada Peetham Charitable Trust; Janseva Trust Param; Construction of schools at Rampura, Anumanahalli & Aadnakuppe Urdu School, Government primary school at Hebbidarametlu; Government Primary School-Kitchen & Dinning hall at Jakkasandra Karnataka and construction of government higher primary school at Bannikuppe etc. Also company has undertaken various CSR initiatives to construct more schools and other social welfare measures.

Particulars	Year ended March 31,2023	Year ended March 31,2022
Gross amount required to be spent during the year	688.56	399.96
Amount spent during the year	601.08	81.72
Amount spent in local area	594.08	81.72
Shortfall at the end of the year / period.	87.48	318.25
Total of previous years shortfall.	538.34	450.86

As on March 31, 2023, a cumulative amount of Rs.538.34 lakhs is unspent. No provision towards the CSR expenditure has been made in the books of account.

Particulars	As at March 31, 2023					
	Unhedged		Hedged through forward or derivative		Natural Hedge	
	</=1 year	>1 year	</=1 year	>1 year	</=1 year	>1 Year
FCY- Receivables (A)						
Exports	19,551.74	-	-	-	-	-
Loans to JV/WOS	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total (A)	19,551.74	-	-	-	-	-
FCY-Payables (B)						
Imports	2,291.43	-	-	-	-	-
Trade credits	-	-	-	-	-	-
ECBs	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-
Total (B)	2,291.43	-	-	-	-	-
Total Exposure (A-B)/(B-A)	17,260.31	-	-	-	-	-

42 Trade Payables and Micro, Small and medium Enterprises

Particulars		As at March 31,2023	As at March 31,2022
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year		0.50
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		-
(iv)	The amount of interest due and payable for the year		0.50
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year		2.32
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above actually paid		-

43 Related Parties

Name of the related party	Nature of relationship with the company	Country of Incorporation/Residential Status
Ajay Bhardwaj	Managing Director	Indian
Ravindra KC	Whole time director	Indian
Ganesh Sambasivam	Whole time director	Indian
Ramakrishnan K	Company Secretary	Indian
Gawir Baig	Vice President cum CFO	Indian
Ishaan Bhardwaj	Manager-I	Indian
Krithika Ganesh	Dp.Manager-II	Indian
Keerthana Ravindra	Dp.Manager-II	Indian
Anthem Biopharma Pvt Ltd	Associate	India
Neoanthem Lifesciences Pvt Ltd	Wholly Owned Subsidiary	India

43.1 Transactions with above related parties

Name of the related party	Nature of transaction	Year Ended	
		March 31,2023	March 31,2022
Ishaan Bhardwaj	Remuneration paid	43.54	28.60
Keerthana Ravindra	Remuneration paid	8.11	-
Krithika Ganesh	Remuneration paid	9.70	5.07
Anthem Biopharma Pvt Ltd	Business support services	7.53	8.69
	Interest income (Interest charged on loans given)	60.99	51.38

43.2 Balances receivable from related parties are as follows

(₹.in Lakhs)

Name of the related party	Classification	Year Ended	
		March 31, 2023	March 31, 2022
Anthem Biopharma Pvt Ltd	For sale of goods & services	-	310.78
	For rendering of services	-	0.40
	For loans and advances given	719.50	724.62

44 Remuneration paid to key management personnel

(₹.in Lakhs)

Name	Designation	Remuneration paid for the Year ended	
		March 31, 2023	March 31, 2022
Ajay Bhardwaj	Managing Director	467.36	434.86
Ravindra K C	Whole Time Director	471.40	434.86
Ganesh Sambasivam	Whole Time Director	471.55	434.86
Ramakrishnan K	Company Secretary	45.00	64.65
Gawir Baig	Vice President cum CFO	104.14	-

45 Key financial ratios

Particulars	Figures for the current reporting period	Figures for the previous reporting period	Reason if the variance is more than 25%
1. Current Ratio	8.25	4.91	Reduction in borrowings
2. Debt - Equity Ratio	0.07	0.03	Reduction in borrowings
3. Debt Service Coverage Ratio	59.27	7.65	Reduction in borrowings
"4. Return on Equity Ratio	0.25	0.39	Due to decrease in net profit
5. Inventory turnover ratio	11.27	26.40	Due to increase in inventory
6. Trade Receivables turnover ratio	3.52	4.24	NA
7. Trade payables turnover ratio	6.04	6.11	NA
8. Net capital turnover ratio	1.04	2.04	Due to decrease in sales
9. Net profit ratio (Net Profit/Net Sales)	0.37	0.33	
10. Return on Capital employed (EBIT/Capital Employed)	0.29	0.41	Decrease in revenue and profit

46 Other Statutory Disclosures

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) No Relationship or Transactions with any struck off companies during the year.
- (v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Accounting Policies - Consolidated Financial Statements

ANTHEM BIOSCIENCES PRIVATE LIMITED

CIN: U24233KA2006PTC039703

Notes forming part of the Audited Consolidated Financial Statements for the year ended March 31, 2023

1. Corporate information:

Anthem Biosciences Private Limited ("the Company) has been set up as a Life sciences/ Biotechnology based venture specialising in the manufacture of catalytic preparation, other organic compounds such as speciality organic molecules, biologically active peptides etc., which are high-value products used in drug, agrochemical and speciality chemicals industries. During the financial year 2020-21, the company set up a wholly owned subsidiary Neoanthem Lifesciences Private Limited (CIN No . U24239KA2020PTC136337). The company along with its subsidiary are hereby referred to as "The Group".

The Company has received the letter of permission under the 100% EOU scheme for manufacture of catalytic preparation and other organic compounds from the office of the Development Commissioner, CSEZ, sub office in Karnataka, vide letter No. 1/80/2006:PER:EOU:KR:CSEZ/106 dated 19th January 2007, which is further extended vide letter No : 1/80/2006:EOU:CSEZ/1276 dated 11th July 2022, valid till 10th July 2027 . In accordance with the said letter of permission, the facilities at the factory located at Bommasandra Industrial Area are with its best in class infrastructure which includes a modern c-GMP kilo lab and a versatile GMP pilot plant. Anthem Biosciences has the capacity to do GMP synthesis from milligram to kilogram and multi-kilogram scale. The projects results are initially transmitted by means of reports followed by the manufacture of small sample quantities that are sent to clients for testing purpose. The Company has received approval from Department of Scientific and Industrial Research Technology for in-house research and development for the purpose of section 35 (2AB) of the Income Tax Act, 1961 beginning 1 April 2011 to 31 March 2017 and further renewed till 31.03.2024 vide approval letter no:F.No.TU/IV-RD/2954/2021 dated 18th March 2021.

2. Significant accounting policies:

A. Basis of preparation and presentation:

a. Statement of compliance:

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2023. These consolidated financial statements were authorized for issuance by the Company's Board of Directors on 6th September 2023.

B. Basis of measurement:

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

Defined benefit and other long-term employee benefits.

C. Basis of Consolidation

The Company consolidates its entities which are controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealized gains arising from intra-group transactions, are eliminated. Unrealized losses are eliminated, but only to the extent that there is

no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions are recognized as per Ind AS 12, Income Taxes.

For the purpose of preparing these consolidated financial statements, the accounting policies of the subsidiary have been aligned with the policies adopted by the Parent.

D. Use of estimates and judgements:

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the notes.

E. Fair valuation:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

i. Functional and presentation currency:

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the “functional currency”). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Group.

ii. Foreign currency transactions and balances:

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

iii. Financial instruments:

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation

or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a. Non-derivative financial assets:

i. Financial assets at amortized cost:

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- a. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets. Cash and cash equivalents comprise cash in hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

ii. Financial assets at FVTPL:

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition the Group may elect to designate the financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets included within the FVTPL category are measured at fair values with all changes in the consolidated statement of profit and loss.

b. Non-derivative financial liabilities:

i. Financial liabilities at amortized cost:

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

B. Property, plant and equipment:

a. Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b. Depreciation:

The Group depreciates property, plant and equipment over the estimated useful life on a written down value basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful Life (years)
Land	0
Roads	5-10
Buildings	5-60
Plant and machinery	15-20
Electrical installations	10
Furniture and fittings	10
Laboratory equipments	10
Office equipment	5
Pipelines	15
Computers and DP units	3-6
Motor vehicles	8

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the consolidated statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the consolidated statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress respectively.

C. Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a written down value basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category	Useful Life
Software licenses	Earlier of license period or 1-3 years

D. 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.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

E. Impairment:

a. Financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Group to track changes in credit risk.

Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the group expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, the group is required to consider:

All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the group is required to use the remaining contractual term of the financial instrument.

ii. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the consolidated statement of profit and loss.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortized cost, contractual revenue receivable. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b. Non-financial assets:

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit

or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

F. Employee benefits:

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident Fund:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the consolidated statement of profit and loss for the year when the employee renders the related service and the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

b. Gratuity:

For the purpose of administration of gratuity of the employees of the Company, the Company has established Anthem Biosciences Private Limited Employees Gratuity Trust. In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

c. Compensated absences:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the consolidated statement of profit and loss.

G. Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

H. Revenue:

a. Sale of goods & services:

Groups earns revenue primarily from sale of goods, providing scientific & technical consultancy services. Revenue is recognised upon transfer of control of promised products or services (performance obligation) to the customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

The Group adjusts the promised amount of consideration for the effects of time value of money if the timing of payments agreed to by the parties to the contract provides the customer with a significant benefit of financing the transfer of goods or services to the customer. The impact of the time value of money is shown as Contract Liability.

b. Rental income:

Rental income is recognised in consolidated statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

c. Dividend & interest income:

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

I. Finance expense:

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the consolidated statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

J. Income tax:

Income tax comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a. Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period.

The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally

enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b. Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

K. Earnings per share (EPS):

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

L. Research and development costs :

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

M. Government grants:

Grants from the government are recognised when there is reasonable assurance that:

- i. the Group will comply with the conditions attached to them; and
- ii. the grant will be received.

Government grants related to revenue are recognised on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When loan or similar assistance is provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

N. Inventories:

Inventories consist of (a) Raw materials, (b) Work-in-progress and (d) Finished goods. Inventories are carried at lower of cost and net realizable value. The cost of raw materials is determined on a moving average basis and/specific cost wherever applicable. Cost of work in progress &finished goods produced includes direct material, labour cost and a proportion of manufacturing overheads.

O. Previous year's figures have been re-grouped or re-classified to conform to the present year's presentation.

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, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1- Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12-Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

Since the effective date for adoption of the above amendments is annual periods beginning on or after 1st April 2023, there is no impact on the financial statements for the year ended 31st March 2023.



Independent Auditor's Report (NeoAnthem)

To

The Members of
Neoanthem Lifesciences Private Limited
Bengaluru

Report on the Indian Accounting Standard (Ind AS) Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Neoanthem Lifesciences Private Limited** ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2023, and the standalone Statement of Profit and Loss and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its losses and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Management Responsibilities for the Standalone Financial Statements

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

In preparing the standalone financial statements, 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 not realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 standalone financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

Report on Other Legal and Regulatory Requirements

As the Companies (Independent Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act is not applicable to the company we are not reporting on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- 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.
- 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.
- The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and no borrowings from banks and financial institutions at any time. during the year, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
- g. The provisions of section 197 of the Act does not apply to the Company, hence reporting under Section 143(3)(g) is not required.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no litigation pending against it.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or,
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (iv) (a) and (iv) (b) contain any material mis-statement.

For K.P.Rao & Co.

Chartered Accountants

Firm Reg. No. 0031355

Mohan R Lavi

Partner

Membership No. 029340

UDIN:

Place: Bangalore

Date: 6th September 2023

NeoAnthem Lifesciences Private Limited Financial Statements

NEOANTHEM LIFESCIENCES PRIVATE LIMITED

CIN: U24239KA2020PTC136337

Notes forming part of the Audited Financial Statements for the year ended March 31, 2023.

1. Corporate information:

Neoanthem Lifesciences Private Limited, is a wholly owned subsidiary of Anthem Biosciences Private Limited and was incorporated on the July 22, 2020, under the Companies act, 2013 having its registered office at 49, F1&F2, Canara Bank Road, Bommasandra Industrial Area Phase I-560099. Company operates in biotechnology sector and its business activities includes, discover, develop, manufacture, and commercialize biopharmaceutical products that address significant unmet needs and provide biological solutions to improve industrial performance in all areas. The financial statements of the holding company (Anthem Biosciences Private Limited) are being prepared in compliance with Indian Accounting Standards. Consequently, Indian Accounting Standards have been adopted in the preparation of the Company's financial statements.

2. Significant accounting policies:

A. Basis of preparation and presentation:

a. Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These standalone financial statements were authorized for issuance by the Company's Board of Directors on September 06, 2023.

B. Basis of measurement:

The financial statements have been prepared on a historical cost convention and on an accrual basis.

C. Basis of Consolidation

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes.

B. Accounting Policies

(i) Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(ii) Financial instruments:

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: nonderivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(a) Non-derivative financial liabilities:

(i) Financial liabilities at amortized cost:

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(C) Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(D) Income tax:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period.

The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

(E) Earnings per share (EPS):

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

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, 2023, the "MCA" amended the Companies [Indian Accounting Standards] Rule 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rule, 2023, applicable from April 1, 2023, as below.

Ind AS 1- Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements

Ind AS 12-Income Taxes:

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Since the effective date for adoption of the above amendments is annual periods beginning on or after 1st April 2023, there is no impact on the financial statements for the year ended 31st March 2023.

Accounting Policies - NeoAnthem Financial Statements

Neoanthem Lifesciences Private Limited
CIN:U24239KA2020PTC136337.
Registered Office-No.49, F1&F2,
Canara Bank Road, Bommasandra Industrial Area, Bangalore KA-560099.

Balance Sheet as at March 31, 2023			(₹.in Lakhs)	
	PARTICULARS	Note	As at 31.03.2023	As at 31.03.2022
I ASSETS				
1) Non-current assets				
a) Property, plant and equipment		2	2,067.08	115.32
b) Capital work in progress		3	0.03	0.13
c) Deferred tax assets (net)				
Total Non-Current assets			2,067.11	115.45
2) Current assets				
a) Financial assets			5.35	3.77
i) Cash and cash equivalents			2,405.41	3.41
b) Other current assets				
Total Current assets			2,410.77	7.18
TOTAL ASSETS			4,477.88	122.62
II EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		5	15.00	15.00
b) Other equity		5.4	(94.95)	(46.35)
Total Equity			(79.95)	(31.35)
Liabilities				
1) Non-current liabilities				
a) Provisions			-	-
b) Term Loan			1,113.27	-
c) Other non-current liabilities		6	2,318.97	138.46
Total non-current liabilities			3,432.24	138.46
2) Current liabilities				
a) Provisions			-	-
b) Other current liabilities		6	1,125.60	15.52
Total current liabilities			1,125.60	15.52
TOTAL EQUITY AND LIABILITIES			4,477.88	122.62
Corporate information and Significant accounting policies.		1		

See accompanying notes forming part of financial statements
As per our report of even date attached

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Ravindra K C
Director
DIN:01580534

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06, 2023

Neoanthem Lifesciences Private Limited
CIN:U24239KA2020PTC136337.
Registered Office-No.49, F1&F2,
Canara Bank Road, Bommasandra Industrial Area, Bangalore KA-560099.

Statement of Profit and Loss for the period ending on March 31, 2023		(₹.in Lakhs)	
PARTICULARS		Note	As on 31.03.2023
I	Gross Revenue from Operations		-
II	Other income	7	9.35
III	Total Revenue (I + II)		9.35
IV	Expenses		
	Cost of materials consumed		-
	Change in Work in Progress		-
	Employee benefits expense		-
	Finance costs	8	40.61
	Depreciation and amortization expense		-
	Other expenses	9	17.25
	Total expenses (IV)		57.85
V	Profit/(Loss) before exceptional items and tax (III-IV)		(48.50)
VI	Exceptional items		-
VII	Profit/(Loss) before tax (V-VI)		(48.50)
VIII	Tax expense		
1)	Current tax	10	-
2)	Deferred tax		0.10
			(0.07)
			0.10
			(0.07)
IX	Profit/(Loss) for the year(VII-VIII)		(48.60)
X	Other comprehensive income/(loss)		
a)	Items that will not be reclassified to profit or loss		
	Remeasurements of the defined benefit plans		-
	Deferred Tax on above items		-
b)	Items that will be reclassified to profit or loss		
	Total Comprehensive Income for the period (IX+X) (Comprising Profit(Loss) and Other Comprehensive Income for the period)		(48.60)
			(45.07)
XII	Earnings per equity share: (In Rs.)		
1)	Basic		(0.00)
2)	Diluted		(0.00)
Corporate information and Significant accounting policies. . Note.		1	

See accompanying notes forming part of financial statements
As per our report of even date attached

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340
Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board
Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Neoanthem Lifesciences Private Limited
CIN:U24239KA2020PTC136337.
Registered Office-No.49, F1&F2,
Canara Bank Road, Bommasandra Industrial Area, Bangalore KA-560099.

Cash flow statement for the period ending March 31, 2023		(`.in Lakhs)	
	Description	As on 31.03.2023	As at 31.03.2022
A) Cash Flow from operating activities:			
Net Profit before taxation		(48.50)	(45.14)
Adjustment:(+/-)			
Depreciation/ Amortisation		-	-
Operating Profit before Working Capital Changes		(48.50)	(45.14)
Adjustment for changes in working capital:			
Other financial Assets		(2,402.00)	(3.35)
Other Current Assets		1,110.08	5.08
Cash used in operations		(1,340.42)	(43.42)
Income taxes paid		-	-
Net cash generated in Operating Activities		(1,340.42)	(43.42)
B) Cash Flow from Investing Activities:			
(Increase)/Decrease in CWIP		(1,951.76)	(105.88)
Net cash used in Investing activities		(1,951.76)	(105.88)
C) Cash flow from Financing activities:			
Proceeds from issue of equity shares		-	-
Proceeds from bank borrowings		1,113.27	-
Proceeds from working capital funding from holding co		2,180.50	138.46
Net cash (Used)/ Generated in Financing Activities		3,293.78	138.46
Net change in Cash and Cash Equivalents (A+B+C)		1.59	(10.83)
Cash and Cash Equivalents (beginning of the year)		3.77	14.60
Cash and Cash Equivalents (ending period)		5.35	3.77

See accompanying notes forming part of financial statements
As per our report of even date attached

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 0031355

Mohan Lavi
Partner
Membership No.029340
Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Statement of Changes In Equity for the period ending March 31, 2023**A - Equity Share Capital****Particulars**

Particulars	Number	Amount (₹.in Lakhs)
Equity shares at the beginning of the year	150000	15.00
ADD: Issued during the year	-	-
Balance as at March 31, 2023	150000	15.00

B - Other Equity as on March 31, 2023

	General Reserves	Securities Premium	Retained Earnings	Other items of Other Comprehensive Income	Total
Balance as at April 01, 2022	-	-	(46.35)	-	(46.35)
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Profit/(loss) for the year	-	-	(48.60)	-	(48.60)
Balance as at March 31, 2023	-	-	(94.95)	-	(94.95)

Other Equity as on March 31, 2023

	General Reserves	Securities Premium	Retained Earnings	Other items of Other Comprehensive Income	Total
Balance as at April 01, 2021	-	-	(1.28)	-	(1.28)
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Profit/(loss) for the year	-	-	(45.07)	-	(45.07)
Balance as at March 31, 2022	-	-	(46.35)	-	(46.35)

See accompanying notes forming part of financial statements
As per our report of even date attached

For K.P. Rao & Co.,
Chartered Accountants
Firm Registration No. 003135S

Mohan Lavi
Partner
Membership No.029340
Place : Bangalore
Date : September 06, 2023

For and on behalf of the Board

Ajay Bhardwaj
Managing Director
DIN:00333704

Ravindra K C
Director
DIN:01580534

Notes forming part of the consolidated financial statements**5) Equity Share Capital**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No.of Shares	(₹.in Lakhs)	No.of Shares	(₹.in Lakhs)
Authorised Share capital				
Equity Shares of Rs. 10/- each	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00
Issued, subscribed & fully paid share capital				
Equity Shares of Rs. 2/- each (Rs.10/- each in FY22)	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00
Total				

5.1 The Company has equity share having a face value of Rs.10/- each.

5.2 Terms/ Rights attached to equity shares

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of amounts payable to preference shareholders if any. The distribution will be in proportion to the number of equity shares held by the shareholders

5.3 The details of shareholder holding more than 5% shares as at March 31, 2023 set out below:

Sl. No	Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
		No. of Shares held	% holding	No. of Shares held	% holding
1	Anthem Biosciences Private Limited (Holding Co.,)	150000	100	150000	100

15) Other Equity	Particulars	As at March 31,2023		As at March 31,2022	
		No. of Shares held	(₹.in Lakhs)	No. of Shares held	(₹.in Lakhs)
a) General Reserve			-		-
b) Share Premium			-		-
c) Retained Earnings			(94.95)		(46.35)
Balance at the end of the period (a+b+c)			(94.95)		(46.35)

2. Capital work-in-progress

(₹.in Lakhs)

Particulars	31.03.2023	31.03.2022
Capital work-in-progress	2,067.08	115.32
	2,067.08	115.32

Capital work-in-progress ageing schedule

As at 31 March 2023

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	1,951.76	115.32	-	-	2,067.08
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

CWIP	Amount in capital work in progress for a period of				Total(₹.in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project work in progress	105.88	9.44	-	-	115.32
Projects temporarily suspended	-	-	-	-	-

6. Trade Payables Ageing as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total(₹.in Lakhs)
MSME	-	-	-	-	-
Others	1116.59	-	-	-	1,116.59
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Projects temporarily suspended		-	-	-	-
Total	1,116.59	-	-	-	1,116.59

Trade Payables Ageing as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total(₹.in Lakhs)
MSME	-	-	-	-	-
Others	12.37	-	-	-	12.37
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	12.37	-	-	-	12.37

Neoanthem Lifesciences Private Limited

Notes forming part of the financial statements

3 . Deferred Tax Assets

Particulars	As at March 31,2023	As at March 31,2022
Deferred tax assets		
Deferred tax assets	0.13	0.07
Add: Adjustments during the year	(0.10)	0.07
Total	0.03	0.13

4 . Cash and Cash Equivalents

Particulars	As at March 31,2023	As at March 31,2022
Deferred tax assets		
(i) in current accounts	5.35	3.77
(ii) in deposit accounts	-	-
Cash in Hand:		
(i) Cash on hand	-	-
Total	5.35	3.77

5 . Other current

Particulars	As at March 31,2023	As at March 31,2022
Deferred tax assets		
Balances with other statutory authorities	348.75	3.21
Pre-paid expenses	0.12	0.20
Capital advances	2,056.55	-
Total	2,405.41	3.41

6. Other non current liabilities

Particulars	As at March 31,2023	As at March 31,2022
Term Loan	1,113.27	-
Related party payable-ABPL (intercorporate loans)	2,318.97	138.46
Total	3,432.24	138.46

6. Other current liabilities

Particulars	As at March 31,2023	As at March 31,2022
Other creditors	2.05	12.37
Capital Creditors	1,114.54	-
Dues to statutory/government authorities	8.00	2.10
Other accrued liabilities	1.00	1.05
Total	1,125.60	15.52

Neoanthem Lifesciences Private Limited

Notes forming part of the financial statements

7. Other Income

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Forex Gain/(Loss)	9.35	-
Total	9.35	-

8. Other Expenses

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Auditors' remuneration	1.00	1.00
Legal and professional fees	5.08	7.58
Rates and taxes	3.17	29.61
Environmental, Health & Safety	0.50	-
Repairs and maintenance	0.12	5.53
Power and fuel	6.45	1.32
Security Charges	0.93	-
Total	17.25	45.05

9. Finance cost

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Bank charges	0.93	0.09
Interest paid-Related Party Loans and Advances	39.68	-
Total	40.61	0.09

10. Tax Expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
A - Current Tax		
Current tax on profits for the year	-	-
Total	-	-

10.1 Reconciliation of tax expenses to accounting profit

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Accounting profit before tax	-48.50	-45.14
Tax @17.16 %	-8.32	-7.75
Adjustments:		
Expenses that are disallowed as per Income Tax Act	-	-
Expenses that are specifically allowed as per the Income Tax Act	-	-
Effect of deduction under section 35(2AB) of the Income Tax Act	-	-
Others	-	-
Tax Expenses recognised in the statement of profit and loss	-8.32	-7.75
Income tax credit/(expense) recognised in Other Comprehensive Income :	-	-
Tax effect on actuarial gains/losses on defined benefit obligations	-	-

10.2 Auditors Remuneration Break up

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Statutory audit fees	1.00	1.00
Certification charges	-	-
Other matters	-	-
Total	1.00	1.00

10.3 Earning Per Share

CWIP	Year ended 31st March 2023		Year ended 31st March 2022	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Equity shares outstanding during the year	1,50,000	1,50,000	1,50,000	1,50,000
Weighted average number of equity shares for calculation of earnings per share	1,50,000	1,50,000	1,50,000	1,50,000

Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Credit risk:

Credit risk is the risk of financial loss to The Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(b) Trade and other receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

(c) Investments:

The Company has no investments in FY 2022-23.

(d) Liquidity risk:

Liquidity risk is the risk that The Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at March 31, 2023	(₹.in Lakhs)
Cash & cash equivalents	5.35	3.77
Investments in mutual funds (quoted)	-	-
Investments in non convertible bonds/debentures (quoted)	-	-
Interest bearing deposits with corporates	-	-
Investment in commercial paper (unquoted)	-	-

Capital Management Structure

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

The Company is predominantly equity financed which is evident from the capital structure table.

Particulars	As at March 31, 2023	(₹.in Lakhs)
Total equity attributable to the equity share holders of the group	(79.95)	(31.35)
As percentage of the total capital	100%	100%
current loans & borrowings	-	-
Non current loans & borrowings	3,432.24	138.46
Total loans & borrowings	3,432.24	138.46
As percentage of the total capital	-4293%	-442%
Total capital (loans and borrowings and equity)	3,352.29	107.11

11. Related Parties

Name of the related party	Nature of relationship with the Company	Country of Incorporation/Residential Status
Anthem Biosciences Pvt Ltd	Holding company (100% holding)	India

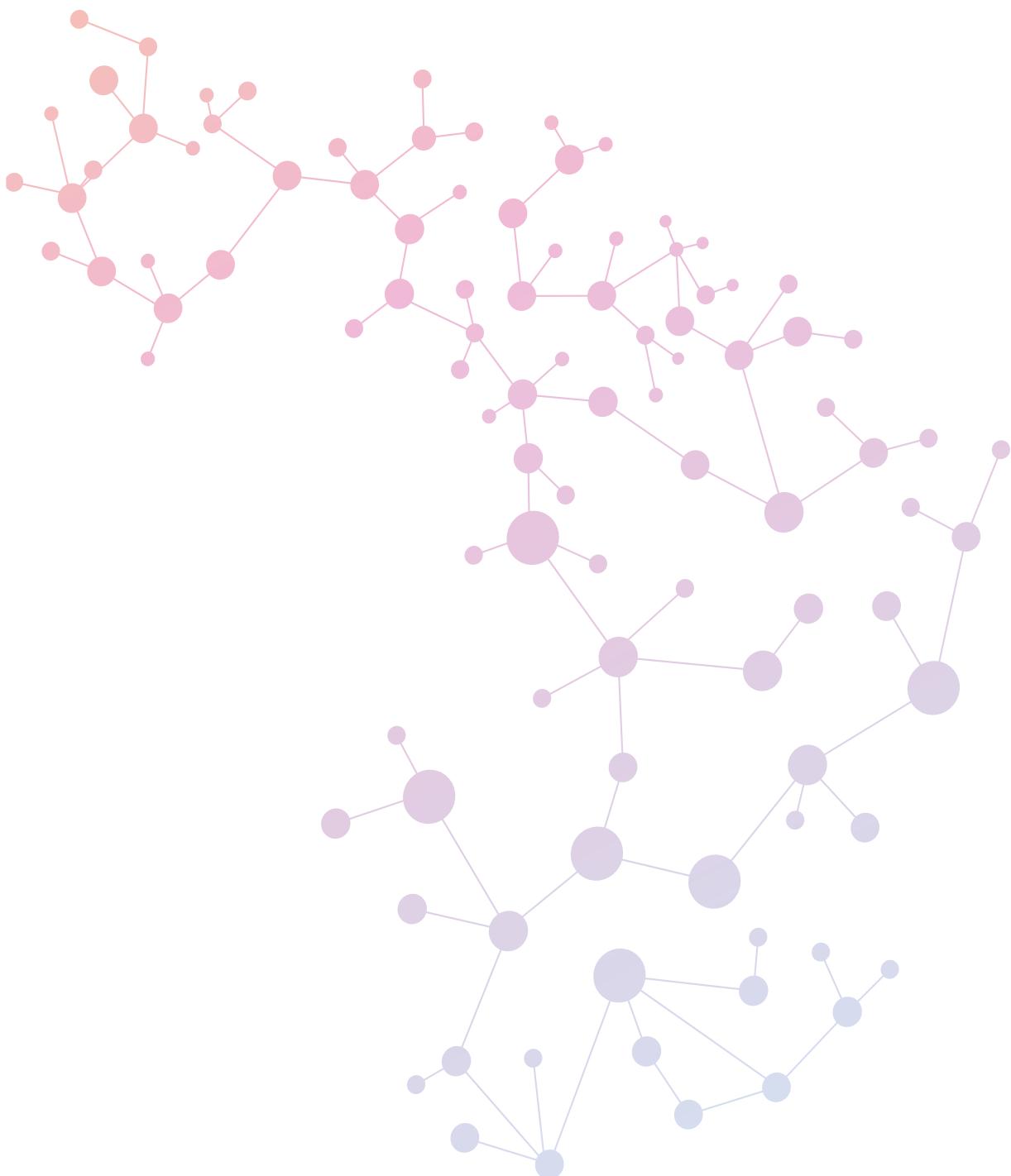
12. Balance outstanding with related parties

Related Party	Nature of outstanding	31.03.2023	31.03.2022
		(₹.in Lakhs)	
Anthem Biosciences Pvt Ltd	Payable (loans and advances)	2,318.97	138.46

13. Key Managerial Personnel

Name	Designation
Ajay Bharadwaj	Director
Ravindra K C	Director
Ganesh Sambasivam	Director





Anthem Biosciences Private Limited

Unit I: No. 49, F1 & F2, Canara Bank Road, Bommasandra Industrial Area Phase 1, Bommasandra, Bangalore, 560 099, India

Unit II: Plot No. 276-P & 277-P, Survey No. 20, Harohalli Industrial Area, Phase II, Near Bannikuppe Village, Kanakapura Taluk, Ramnagar District, Harohalli, Karnataka 562112, India

NeoAnthem Lifesciences Private Limited

Unit III: 313-P, 314-P & 318-P, Bannikuppe Road, Harohalli Industrial Area, Phase II, Harohalli, Kanakapura Taluk, Ramanagara District, Harohalli, Karnataka, 562112, India